

Special Households:

Introduction ,.....	Page V-1
Students Rule	Page V-1
Verification of Student Eligibility	Page V-2
Exceptions to Student Eligibility	Page V-2
Institute of Higher Education	Page V-3
Enrollment Status	Page V-3
Work Study Programs	Page V-3
Title IV C Higher Education Act	Page V-4
Cooperative Programs	Page V-4
Work Registration Exemption	Page V-5
Determining Student Income	Page V-5
Student Resources	Page V-5
Income and Resources of Ineligible Student	Page V-5
Deductible Student Expenses	Page V-5
Adding Ineligible Students	Page V-5
Alcohol/Drug, Battered Women or Homeless Facilities	Page V-6
Facility as Authorized Representative	Page V-6
Approved Centers	Page V-7
Processing Participant Applications	Page V-7
Expedited Service	Page V-8
Adverse Action	Page V-8
Work Registration	Page V-9
Drug/Alcohol Center Conditions	Page V-9
Center Responsibility	Page V-9
List of Resident Participants	Page V-10
Periodic On Site Visits	Page V-10
Resident Leaving Alcohol/Drug Center	Page V-11
Participants in Group Living Facilities	Page V-11
Facility as Authorized Representative	Page V-12
Approved Centers	Page V-12
Processing Participant Applications	Page V-12
Expedited Services	Page V-13
Adverse Action	Page V-13
Work Registration	Page V-13
Center Responsibility	Page V-14
List of Resident Participants	Page V-14
Periodic On Site Visits	Page V-15
Residents Leaving Group Homes	Page V-15
Group Home Allotment	Page V-16
Prorated Allotment	Page V-16
Communal Dining	Page V-17
Meal Delivery Services	Page V-17

Strikers	Page V-18
Striker Definition	Page V-18
Striker Eligibility and Benefits	Page V-18
Resources	Page V-19
Income Verification	Page V-19
Work Registration	Page V-19
Ineligible/Non Household Members	Page V-20
Excluded Disqualified Member Rule	Page V-20
Excluded Disqualified Resources	Page V-21
Income for Alien, SSN, ABAWD Excluded Members	Page V-23
Income for All other Excluded Members	Page V-23
Expenses for Alien, SSN, ABAWD Excluded Members	Page V-24
Expenses for All other Excluded Members	Page V-25
Action on Excluded Members	Page V-25
TANF Carry Over	Page V-26
Non Eligible Person Chart	Page V-27
Farm Workers	Page V-28
Resident Farm Worker	Page V-28
One Employer	Page V-28
Multiple Employers	Page V-28
Migrant Farm Workers	Page V-29
Determining Income	Page V-29
Verification of Income	Page V-29
Exempt Income of Migrant Children	Page V-29
Verification of Resources	Page V-30
Certification Periods	Page V-30
Work Registration	Page V-30
Contract Definition/Employees	Page V-31
Contract Renewal	Page V-31
Work/Nonwork Cycle	Page V-32
Income	Page V-32
Determination of Eligibility and Benefits	Page V-32
Exceptions	Page V-32
Sponsored Alien Definition	Page V-33
Exception to Sponsored Alien Rules	Page V-33
Termination of Sponsor Obligation	Page V-35
Reporting and Verification Responsibilities	Page V-35
Sponsor Income and Resources	Page V-36
Claims against Sponsored Aliens/Sponsors	Page V-37
Monthly Reporting/Retrospective Budgeting	Page V-38

5000 SPECIAL HOUSEHOLDS

5100 INTRODUCTION

This section explains certification procedures for specific households. Some of the following examples differ from general certification procedures. These households are considered special because their income or other circumstances are substantially different from typical food stamp households.

5200 STUDENTS

This section has the policies and procedures unique to students.

5210 RULE

A.) Special eligibility criteria - Persons age 18 through 49, physically and mentally fit, and enrolled at least half time in an institution of higher education are ineligible unless they meet at least one of the following criteria. Documentation in the narrative or a copy of the completed Student Eligibility Checklist, DSS-EA-328 is required.

- 1.) Are employed for pay at least 80 hours per month. If self-employed, work at least 80 hours per month and earn at least the federal minimum hourly wage times 80 (gross income).
- 2.) Participate in a Federal or State work study program during the regular school year. (See Section 5224).
- 3.) Be responsible for the care of a dependent household member under age six. Student eligibility criteria based on responsibility for the care of dependents is to be consistent with work registration exemptions based on the same criteria (Section 3421.4). Traditionally, the work registration provision has always referred to the physical care of a dependent and has always been limited to allowing only one person to claim an exemption as the primary person responsible for the care of a dependent in situations where more than one person shares such responsibility. If both parents are students, they have more than one child under 6, and each claim responsibility for one of the children, both would be eligible students.
- 4.) A single parent enrolled full-time in an institution of higher education with responsibility for the care of a dependent child under age 12. The single parent must be enrolled full-time. This exemption rule applies regardless of the availability of adequate child care.
- 5.) Be responsible for the care of a dependent household member who has reached the age of six but is under age 12 where the caseworker has determined that adequate child care is not available to enable the student to attend class and comply with 1 or 2 above.

Caseworkers have the discretion to accept reasonable statements from the student that adequate child care is not available and to take other considerations into account such as location of nearest day care facility, availability of funds to pay for adequate child care, etc.

- 6.) Receiving benefits from TANF or Tribal TANF. If the student is sanctioned from TANF or Tribal TANF, he/she is not an eligible student based on TANF or Tribal TANF eligibility.
- 7.) Be assigned to or placed in an institution of higher learning through a program under the Workforce Investment Act (WIA).

Section 5210 A.), Special eligibility criteria, continued:

- 8.) Be assigned or placed in an institution of higher learning through a program under Section 236 of the Trade Act of 1974 (Trade Adjustment Assistance - TAA - handled through the Department of Labor. The payments under TAA are labeled Trade Readjustment Allowances (TRA).
 - 9.) Be assigned or placed in an institution of higher learning through an on-the-job training program. Eligibility only exists during the time the person is being trained by the employer.
- B.) Work Registration - Eligible students are exempt from work registration if they are enrolled at least half time in any recognized school, high school, training program, or institution of higher education.

5211 VERIFICATION OF STUDENT ELIGIBILITY:

Verification of student eligibility status is required. The verification may be obtained from the student, source, or school. Examples of verification are:

- 1.) **Student's age:** Birthdate listed on 301, unless questionable. If questionable, verification is required (examples; driver's license, birth certificate, etc.)
- 2.) **Responsibility for child:** Student's statement he/she is responsible for the child if there is an age appropriate child in the household. His/her explanation about the availability of adequate child care should be written and is acceptable, unless questionable. If questionable, further clarification is needed.
- 3.) **Physical or mental impairment:** If the disability is evident to the worker, no further verification is required. If not, verification may consist of temporary or permanent disability payments (paid because the individual is unable to work) from governmental or private sources (SSA, SSI, etc.), or a statement from the individual's physician or licensed or certified psychologist that the individual is unable to work.
- 4.) **School status:** Statement from the student that he/she is enrolled at least half time is acceptable unless questionable. If questionable, verification is required (examples; awards letter, statement from school regarding number of credit hours student is attending and how many credit hours are needed for at least half-time, etc.)
- 5.) **Income eligibility:** Work Study, TRA/TAA, and WIA may be verified by the student (awards letters, copies of checks, etc.), school (financial aid officer), or source (Job Services). TANF may be verified via ACCESS.
- 6.) **On-the-job Training:** Documentation from the employer that the individual is attending school as part of the employee's training.

5220 STUDENT CERTIFICATION

5221 EXCEPTIONS TO SPECIAL ELIGIBILITY CRITERIA

The following persons are not required to meet the special student eligibility criteria and are treated for food stamps the same as other household members:

- A.) Age 17 or under, or 50 or older.
- B.) Physically or mentally disabled (as defined in Section 3421.5).
- C.) Attending high school.

Section 5221, Exceptions to Special Eligibility Criteria, continued:

- D.) Enrolled less than half time, or enrolled full time, in schools or training programs which are not considered institutions of higher education.

5222 INSTITUTION OF HIGHER EDUCATION

An institution of higher education for this purpose is a college, university, business, technical, trade, or vocational school that normally requires a high school diploma or an equivalency certificate, such as a GED, for enrollment.

Colleges or universities normally require diplomas or certificates but allow exceptions for some students to enroll in a regular curriculum who are not high school graduates. These institutions still are considered institutions of higher education.

Students attending institutions of higher education as defined above must meet special eligibility criteria defined under Section 5210 to qualify for benefits.

5223 ENROLLMENT STATUS

Enrollment status in an institution of higher education begins on the first day of the first school term at the institution, even though the student might register early for classes. For example, a high school senior might be accepted by a college and register for classes before graduation; however, enrollment status does not begin until the start of the college term.

Once enrolled, enrollment status continues through normal periods of class attendance, vacation, and recess until the person graduates, is suspended or expelled, drops out, or otherwise does not intend to register for the next normal term (excluding summer school). A student thus retains enrollment status during summer vacations, for example, unless the student does not intend to return to school in the fall.

5224 WORK STUDY PROGRAMS

To qualify under this criterion, the student must be approved for a Federal or State Work Study Program and anticipate working during the school term at a work study job. There is no minimum number of work hours a week to qualify as a work study program. The exemption would continue until the end of the month in which the school term ends or it becomes known that a student has refused an assignment. Work study eligibility would not continue between terms when there are breaks of a full month or longer for which work study has not been approved. The eligibility criteria only applies during the months in which the student is approved for work study. Eligibility will no longer be allowed during the summer months unless the student is approved for work study during the break, or meets other student eligibility criteria.

If a student anticipates a work study job, and it does not materialize during the school term, a claim would not need to be completed unless the student gave wrong or misleading information. The following clarify situations involving approved Federal or State work study funds:

Section 5224, Work Study Programs, continued:

- # 1: - At application, the student does not yet have a Federal or State funded work study job but anticipates getting a job later that month.
 - The student meets work study eligibility criteria and retains eligibility during the school term unless they refuse a work study job assignment.
- # 2: - Student applies September 5. They do not have a Federal or State work study job but anticipate getting one sometime in the school term.
 - The student meets work study eligibility criteria for September and retains eligibility during the school term unless they refuse a work study job.
- # 3: - On-going case, student reports on the October monthly report form they have been approved for Federal or State work study funds on October 15 and anticipates getting a work study job.
 - The student meets student eligibility criteria for November. If this were an October application, and work study was approved prior to approval, student could be eligible for October benefits because the eligibility criteria was met the month of work study approval or the month in which the school term starts, whichever is later.
- # 4: - The student has a Federal or State work study job, works for a couple of months, the job finishes prior to the end of the school term.
 - Once begun, the eligibility criteria are met until the end of the month in which the school term ends, or it becomes known that the student refused an assignment. If the student quit the work study job, the quit would be considered a refusal and the eligibility criteria would no longer be met.
- # 5: - The student has Federal or State work study and is working in May, and the student anticipates returning to school in September.
 - The student would lose his/her work study eligibility over the summer months because the break between terms is at least a full month or longer and the student is not participating in work study during the break.

5224.1 TITLE IV-C, HIGHER EDUCATION ACT

Some programs might involve state as well as federal funding. These programs are work study programs if the federal portion is funded under Title IV-C of the Higher Education Act. Participating institutions maintain lists of students who participate under that federal funding.

5224.2 COOPERATIVE PROGRAMS

Under some federally funded cooperative education programs, persons are full-time students one semester and work full time the next. These are not considered work study programs because the work and study do not occur together. A student might qualify, however, by participating in another work study program or by obtaining a regular job during the school semester.

Students who must work to fulfill academic requirements such as a medical student required to intern in hospitals or student teachers who must obtain actual teaching experience as part of their degree requirements also do not meet the work study criterion.

5230

WORK REGISTRATION EXEMPTION

The work registration exemption for eligible students stays in effect for regular school vacations and recesses as long as enrollment status continues.

Students who are not enrolled at least half time; who have a break in enrollment upon graduation, expulsion, or suspension; or who drop out or otherwise do not intend to return to school are not exempt as students and, unless otherwise exempt, must register for work.

5240

DETERMINING STUDENT INCOME

All educational income is excluded and not counted in the eligibility or benefit determination. This includes, but is not limited to Title IV educational assistance which includes BEOG, PELL, Super PELL, SEOG, SSIG, GSL, or Federal Family Education Loan Program (includes Supplemental loans for students, PLUS loans, Robert T. Stafford Student loans), Perkins or NDSL loans, TRIO grants, Upward Bound Stipends (includes Student Support Services, Robert E. McNair Post-Baccalaureate Achievement), Robert C. Byrd Honors Scholarship Program, College Assistance Migrant Program (CAMP), High School Equivalency Program (HEP), National Early Intervention Scholarship and Partnership Program, BIA educational income, work study income, scholarships, loans, etc.

5250

STUDENT RESOURCES

Educational income is not counted as a resource during the period of time the income is expected to cover (usually the school term).

Example: Jake received a GSL of \$5,000 for the school term of September 1 through May 24. He put the money into a savings account to use as needed during the school months. The \$5,000 is excluded as a resource until it is no longer considered income (May 25).

5260

INCOME AND RESOURCES OF INELIGIBLE STUDENT

If the ineligible student is also an ineligible alien or an IPV disqualified individual, the rules for disregarding the student's income and resources do not apply (refer to chart located on page V-25).

The income and resources of an ineligible student living with a household shall not be considered in determining eligibility or level of benefits of the household.

If the ineligible student and a household member jointly hold the resource, it is considered fully available to the household.

5270

DEDUCTIBLE EXPENSES

When members and ineligible students share non-utility deductible expenses, only the amount paid by the household can be budgeted; however, if the household's portion cannot be separated from the non-member's portion, the worker deducts the household's pro-rated share. If the household shares utility expenses with the ineligible student, the household is allowed the full utility allowance.

5280

ADDING INELIGIBLE STUDENTS TO THE HOUSEHOLD:

If an ineligible student becomes eligible and is added into an on-going case, the ineligible's student and his/her income and expenses are added prospectively while the on-going member's income and expenses are budgeted retrospectively.

5300 PARTICIPANTS IN SPECIAL PROGRAMS

5310 PARTICIPANTS IN ALCOHOL/DRUG TREATMENT CENTERS, BATTERED WOMEN AND CHILDREN SHELTERS, OR HOMELESS SHELTERS

The following participants in special programs may choose to receive food stamps:

- A.) Narcotic addicts or alcoholics, and their children, who regularly participate as residents in an approved drug or alcohol treatment program.
- B.) Residents in approved shelters for battered women and children.

These residents must meet the same income and resource standards as other households.
- D.) Residents of public or private non-profit shelters for homeless persons.

The special procedures in this section for residents in shelters for battered women and children apply to persons living in private or public non-profit residential facilities that usually serve meals. Shelters that do not serve meals as part of their normal services are not classified as institutions. Residents of this type of shelter may participate in the Food Stamp Program as individual household units or as part of a group of individuals like any other household. They are not eligible for the provisions described in this section.

Small group home cases are handled through a centralized unit in State Office thus any inquiries for food stamp benefits for those facilities should be referred to State Office. State Office staff will also be responsible for the on-site visits.

5311 THE FACILITY AS AUTHORIZED REPRESENTATIVE

Residents, and their children, of drug/alcohol treatment centers apply for, purchase, and use food stamp benefits with the facility acting as their authorized representative.

Facility residents who are not regularly participating in a drug/alcohol treatment/rehabilitation program are not eligible under this provision to participate in the Food Stamp Program. The worker must document the casefolder to identify which program the applicant participates in.

Residents in shelters for battered women and children may apply for food stamps, receive EBT cards, and use the allotment on their own behalf. Households may appoint a shelter representative or any other person to act as A/R the same as any other household.

Individual households may use their allotments to buy meals prepared for them as a shelter approved by USDA to use food stamp benefits at a wholesale food business. Workers must ask a shelter representative if the shelter is approved by USDA.

Homeless food stamp households shall be permitted to use their food stamp benefits to purchase prepared meals from homeless meal providers. Homeless meal providers may not act as authorized representatives for homeless food stamp recipients.

5312 APPROVED CENTERS

Drug or alcohol treatment and rehabilitation centers must be approved (licensed/certified) by the appropriate agency of the State. Approval by USDA is not required. However, if the CW verifies that USDA has certified the facility as a retailer, then eligibility is confirmed.

The worker must also ask the group living arrangement for verification that the facility is a nonprofit organization. If the facility is nonprofit, a current, valid Internal Revenue Service exemption must be provided for verification. Normally, the licensing agency determines the nonprofit status of the facility and this determination can be used as verification.

Shelters for battered women and children must be public or private non-profit residential facilities that serve battered women and children. If a facility serves other persons, part of the facility must be set aside on a long-term basis to serve only battered women and children.

Before certifying any household in this type of shelter, the CW must decide if the shelter meets the definition of an approved shelter and document the basis of this decision. If the worker determines that USDA has certified the shelter as a retailer, eligibility is confirmed.

The CW must document the shelter's status as a non-profit organization. The shelter should have a current certificate from the Internal Revenue Service.

Shelters or establishments for the homeless must be approved (licensed/certified) by an appropriate State or local agency and must be authorized by FNS as a retail food store.

Such meal providers must be public or private non-profit organizations as defined by the Internal Revenue Service (I.R.C. 501(c)(3)) and must serve meals that include food purchased by the provider. Homeless meal providers serving meals, which consist wholly of donated food, shall not be eligible for authorization to accept food stamp benefits as payment for meals.

5313 PROCESSING PARTICIPANT APPLICATIONS

The usual processing standards for initial and later eligibility decisions, handling reported changes, and other program actions as well as usual verification and documentation requirements apply to residents in treatment centers, and shelters for battered women.

Special processing standards for participants are as follows:

Residents of treatment centers, if otherwise eligible and have no children residing in the center with them, must be certified for program participation as one-person households. If the child(ren) of the resident resides in the treatment center with them, the child(ren) must be certified as household member(s) in the resident's household. DSS certifies non-resident participants under normal procedures.

Residents of battered women and children shelters may apply on their own or use the shelter or other person as an authorized representative. DSS determines the eligibility of these applicants as individual households.

Section 5313, Processing Participant Applications continued:

These shelter residents may have left a household that includes the person who abused them. The former household may already be certified for food stamp benefits and its certification may be based on a household size that included the woman and children who left. An application from a shelter resident who received food stamp benefits as a member of their former household may be certified as a separate household. The allotment would be based on the new household size.

The worker must report the change in household composition of the former household to the office where the former household's case folder is located. The worker having responsibility for the former household's case must handle the reported change according to Section 2800.

Workers determine food stamp eligibility for shelter residents based on their income and resources and the expenses they are responsible for. The amount of shelter expense is determined after deducting a one person allotment amount from the amount of the room and board payment. ACCESS automatically makes this calculation on the GLEX panel so it is imperative the room and board payment is entered on ACCESS. DSS considers jointly held resources inaccessible according to Section 3630, and considers room payments to the shelter as shelter expenses.

Workers must encourage shelter residents to use the facility's post office box as their mailing address, if available, to maintain a confidential residence address.

Homeless food stamp households shall be permitted to use their Food Stamp benefits to purchase prepared meals from homeless meal providers.

Prerelease applicants shall be allowed to apply for Food Stamp benefits jointly with their application for SSI prior to their release from the institution.

5313.1 EXPEDITED SERVICE

For eligible residents of drug or alcohol rehabilitation centers, battered women and children shelters and homeless shelters who meet the expedited service regulations, the worker must ensure benefits are available no later than the seventh calendar day after the application date.

5313.2 ADVERSE ACTION

Resident households have the same rights to notices of adverse action, fair hearings, and lost benefits as other households. A notice of adverse action, however, is not required when the drug or alcohol treatment center or homeless shelter loses either:

- A.) Its certification from the state, or
- B.) Its status as an authorized representative because USDA revoked its retail status, prohibiting it from receiving food stamps.

Section 5313.2, Adverse Action continued:

The exemption from the notice of adverse action does not apply to shelters for battered women because the residents participate as individual households, and each household decides how it spends its allotment.

5314 WORK REGISTRATION

Any resident or non-resident in a drug or alcohol center's treatment and rehabilitation program is exempt from the work registration requirement. This exemption is not meant to discourage residents or nonresidents from seeking and accepting employment on their own.

Residents in shelters for battered women and children are not exempt from the work registration requirement. These clients, however, may be exempt from work registration because of their responsibility for taking care of dependent children under age 6, or because they meet some other work registration criteria.

5315 SPECIAL CONDITIONS FOR DRUG OR ALCOHOL TREATMENT CENTERS

Items 5315 through 5315.4 applies only to drug or alcohol treatment centers. They do not apply to shelters for battered women and children because if the shelter is appointed A/R, its responsibilities are the same as any other A/R (see Section 2300).

5315.1 CENTER RESPONSIBILITY

- A.) Applies on behalf of the residents, and
- B.) Receives the EBT card and training, and
- C.) Buys and prepares food for eligible residents on a group basis, or buys meals delivered to the individual residents.

The resident and authorized representative should personally sign the food stamp application form.

The facility acting as authorized representative is liable for any misrepresentation or fraud which it knowingly commits in the certification of participants it is representing. Therefore, the facility must be knowledgeable about household circumstances and should review those circumstances with the participants before applying for food stamp benefits on the participants' behalf. The facility is responsible for:

- A.) Reporting required changes in participant's circumstances,
- B.) All losses or misuse of food stamp benefits held on behalf of participants, and
- C.) All overissuances which occur while the participants are residents of the facility.

Section 5315.1, Center Responsibility, continued:

Workers must report incidents of suspected misuse or misappropriation of food stamp benefits through channels to State Office, who in turn will refer to USDA. If the facility is disqualified by USDA as a retailer, it may not serve as an authorized representative for participants as long as it is disqualified. Also, if the facility loses its license or certification from the appropriate State Agency, it may not serve as authorized representative.

5315.2 LIST OF RESIDENT PARTICIPANTS

Each month, each facility director must give the local food stamp office a list of resident participants in the Food Stamp Program. The list must be signed by an employee of the facility and given to the local office within five workdays after the end of the month for which it is prepared.

Certification office staff use the list to:

- A.) Monitor facility caseload on a monthly basis,
- B.) Make periodic on-site visits, and
- C.) Ensure that office records are current.

Workers must ensure that the person the facility appoints to act as A/R for participants knows of the monthly reporting requirement. If the list is not sent within the required time frames, the worker should contact the facility representative to remind him of the reporting requirement. Repeated failure to report results in the worker notifying supervisory staff through channels to State Office.

5315.3 PERIODIC ON-SITE VISITS

Workers, or other designated staff, must make on-site visits to facilities on a periodic basis to:

- A.) Verify the accuracy of the listings, and
- B.) Ensure that local office records are consistent and current, and
- C.) Verify the center's certification is current.

The worker must document the date of the visit on the list being checked.

Workers must verify the number of residents through an inspection of facility records, such as admission and departure cards or ward lists. Workers also must verify the facility's approval as a certified group living arrangement.

5315.4 RESIDENTS LEAVING DRUG/ALCOHOL TREATMENT CENTERS

Drug and alcohol treatment facilities that have the household's EBT card must provide departing residents with their EBT cards (if applicable) and any unused benefits issued for the household. If the benefits have been received, the facility must:

- A.) Provide the departing household with the EBT card and the remainder of their benefits, regardless of when during the month the household leaves the facility; and
- B.) Provide the departing household with one-half its monthly benefit allotment even if all benefits have already been spent on behalf of that individual if the household leaves the facility before the 16th of the month. If the household leaves the facility after the 15th, and all the benefits have been spent, no benefits are owed to the household.
- C.) Provide the departing household with the appropriate report form (DSS-EA-310 or DSS-EA-214) and instructions to go to the local DSS office for EBT training and PIN change. They also should be instructed to contact their caseworker to discuss continuing their eligibility.
- D.) Complete DSS-EA-307, Food Stamp Exit Form, and return the form to the DSS office as soon as possible (and within 10 days) after the resident left.
- E.) If the individual leaves without notifying the facility, the facility must complete the report form, and submit it with the DSS-EA-307 and the household's EBT card (with remaining benefits) to the local DSS office.

Once DSS receives the DSS-EA-307, they must make the appropriate changes to the case, and send a copy of the form to the individual. The form must be provided to the individual within 10 days of receipt. If the individual indicates they did not receive the benefits identified on the form, a copy of the form and the recipient's statement should be forwarded to State Office EBT.

If the departing resident fails to report the change in his circumstances as required, and the worker is unable to locate the household, the worker must stop the delivery of future benefits. EBT cards/benefits delivered to the facility after the participant leaves should be returned to the worker and the EBT card should be immediately deactivated.

5320 PARTICIPANTS IN GROUP LIVING FACILITIES

From June 2004 to at least June 2008, South Dakota has been approved for the South Dakota Group Home Pilot Project. Under FNS' authorization for this project, residents in group homes will have simplified application and reporting requirements. The residents will also receive standard allotment amounts depending on the facility in which they reside.

Residents in the group home must be disabled, as defined in Section 2012 of this manual. If the individual does not meet the disability criteria, the individual is ineligible as long as he/she is a resident of a small group home facility.

Section 5320, Participants in Group Living Facilities, continued:

The procedures identified in 5320 - 5325.1 pertain only to residents in small group facilities, and only for the time period the pilot project is authorized by FNS.

5321 THE FACILITY AS AUTHORIZED REPRESENTATIVE

Residents of group living arrangements shall apply and be certified through use of an authorized representative employed and designated by the group living arrangement.

The persons in the group living arrangement are certified as one person households.

The facility may either:

- A.) Receive the EBT card to purchase food for meals prepared by and/or served to the eligible resident either communally or individually; or
- B.) Allow the eligible resident to receive the EBT card to use all or any part of the allotment on his/her own behalf.

If USDA suspends the facility's status as an A/R (retailer), it may no longer act in the client's behalf.

5322 APPROVED CENTERS

Group living arrangement means a public or private nonprofit residential setting that serves no more than 16 residents that is certified under regulations issued under Section 1616 (e) of the Social Security Act. The South Dakota Department of Human Services (DHS), Division of Developmental Disabilities certify group homes under 1616(e) of the Social Security Act. A list of certified homes is maintained at State Office. If there is a new group home in your area, please contact State Office for a determination on eligibility.

Also, under the pilot project the group home is required to be certified by USDA as a retailer. This certification will also confirm the group home's eligibility. USDA's certification of a facility is valid until revoked.

5323 PROCESSING PARTICIPANT APPLICATIONS

Residents of group living facilities must meet the usual processing standards for initial applications and recertifications, including the usual verification and documentation requirements. However, the only reporting requirement for small group residents is that the facility must report if the resident's address changes or the resident moves from the facility.

Section 5323, Processing Participant Applications continued:

Special processing standards for participants are as follows:

- Residents must apply through the facility's authorized representative and must be certified as one-person households.
- A face-to-face or telephone interview is not required for applications or recertifications. Applications and recertifications may be processed through the mail unless the authorized representative requests an interview, or an interview is needed to obtain more detailed information. A shortened application/recertification form is also used for group home residents, DSS-EA-301G.
- Benefits will be paid in standard amounts based on each facility's average (see Section 5325 for more details).
- Proration of benefits occur at application and when a resident leaves the facility (Section 5325).
- A change in residence or the individual moving from the facility are the only reporting requirements during the certification period.

Workers determine food stamp eligibility for shelter residents based on their income and resources and the expenses they are responsible for. The amount of group living shelter expense is determined after deducting a one person allotment amount from the amount of the room and board payment. ACCESS automatically makes this calculation on the GLEX panel so it is imperative the gross room and board payment is correctly entered on ACCESS.

5323.1 EXPEDITED SERVICE

Eligible group home living residents who meet expedited service requirements must have their benefits available no later than the seventh calendar day after the application date.

5323.2 ADVERSE ACTION

Residents have the same rights to notices of adverse action, fair hearings, and lost benefits as other households. A notice of adverse action, however, is not required when the group living arrangement loses either:

- A.) Its certification from the state, or
- B.) Its status as an authorized representative because USDA revoked its retail status, prohibiting it from receiving food stamps.

5323.3 WORK REGISTRATION

Members of group living arrangements are excluded from the work registration requirement because they must meet the disability criteria outlined in Section 2012(B) of this manual.

5324 SPECIAL CONDITIONS FOR GROUP LIVING ARRANGEMENTS

Items 5324 through 5324.4 apply to group living arrangements only.

5324.1 CENTER RESPONSIBILITY

- A.) Applies on behalf of the residents, and
- B.) Receives the EBT card and training, and
- C.) Buys and prepares food for eligible residents on a group basis, or buys meals delivered to the individual residents.

The resident should sign the food stamp application form, if at all possible. The authorized representative must sign the food stamp application form.

The facility acting as authorized representative is liable for any misrepresentation or fraud which it knowingly commits in the certification of participants it is representing. Therefore, the facility must be knowledgeable about household circumstances and should review those circumstances with the participants before applying for food stamp benefits on the participants' behalf. The facility is responsible for:

- A.) Reporting required changes in participant's circumstances,
- B.) All losses or misuse of food stamp benefits held on behalf of participants, and
- C.) All overissuances which occur while the participants are residents of the facility.

Workers must report incidents of suspected misuse or misappropriation of food stamp benefits through channels to State Office, who in turn will refer to USDA. If the facility is disqualified by USDA as a retailer, it may not serve as an authorized representative for participants as long as it is disqualified. Also, if the facility loses its license or certification from the appropriate State Agency, it may not serve as authorized representative.

5324.2 LIST OF RESIDENT PARTICIPANTS

Each month, each facility director must give the local food stamp office a list of resident participants in the Food Stamp Program. The list must be signed by an employee of the facility and given to the local office within five workdays after the end of the month for which it is prepared.

Certification office staff use the list to:

- A.) Monitor facility caseload on a monthly basis,
- B.) Make periodic on-site visits, and
- D.) Ensure that office records are current.

Section 5324.2, List of Resident Participants, continued:

Workers must ensure that the person the facility appoints to act as A/R for participants knows of this reporting requirement. If the list is not sent within the required time frames, the worker should contact the facility representative to remind him of the reporting requirement. Repeated failure to report results in the worker notifying supervisory staff through channels to State Office.

5324.3 PERIODIC ON-SITE VISITS

Workers, or other designated staff, must make on-site visits to facilities on a periodic basis to:

- A.) Verify the accuracy of the listings, and
- D.) Ensure that local office records are consistent and current, and
- E.) Verify the center's certification is current.

The worker must document the date of the visit on the list being checked.

Workers must verify the number of residents through an inspection of facility records, such as admission and departure cards or ward lists. Workers also must verify the facility's approval as a certified group living arrangement.

5324.4 RESIDENTS LEAVING GROUP LIVING HOMES

Group living arrangements must provide departing residents with their EBT cards and any unused benefits issued for the household. If the benefits have been received, the facility must:

- A.) Provide the departing resident with the EBT card and the remainder of their benefits, regardless of when during the month the resident leaves the facility; and
- B.) Provide the departing household with the prorated amount of the benefit allotment due the resident even if all benefits have already been spent on behalf of that individual. A proration chart has been provided to each facility and the minimum amount of benefits given to the resident must be at least the amount on the appropriate day and total issuance on the chart. Example: Jane left the facility on May 9 and May allotment was \$40. Jane is entitled to at least \$28 or the entire amount in her EBT account, whichever is greater.
- C.) Provide the departing resident with the DSS office address and telephone number so the resident can contact DSS to continue his/her eligibility and update his/her EBT card.
- D.) Complete DSS-EA-307G, Food Stamp Group Home Exit Form, and return the form to the DSS office as soon as possible (and within 10 days) after the resident left.
- E.) If the individual leaves without notifying the facility, the facility must complete the report form, and submit it with the DSS-EA-307G and the household's EBT card (with remaining benefits) to the local DSS office.

Section 5324.4, Residents Leaving Group Home Facilities, continued

Once DSS receives the DSS-EA-307G, they must close the individual's food stamp case, and send a copy of the form and a DSS-EA-301, Statement of Need, to the individual. The forms must be provided to the individual within 10 days of receipt. If the individual indicates they did not receive the benefits identified on the form, a copy of the form and the recipient's statement should be forwarded to State Office EBT.

If the departing resident fails to report the change in his circumstances as required, and the worker is unable to locate the household, the worker must stop the delivery of future benefits. EBT cards/benefits delivered to the facility after the participant leaves should be returned to the worker and the EBT card should be immediately deactivated.

5325 GROUP HOME ALLOTMENTS:

Eligible group home residents will receive a standard allotment based on their residence. The allotment is updated twice a year, for October and May benefits. The allotments and group home ID numbers are listed on the P drive under DSS Forms, EconAsst, DESKGUIDES, under the name "FS Group Home Standard Allotments". The chart will be updated as allotment amounts are changed.

ACCESS will automatically determine the correct standard allotment if the group home ID is entered correctly on the INST panel.

5325.1 PRORATED ALLOTMENTS:

Allotments are required to be prorated for approvals of new applicants based on the date the application is received. (Section 2510) ACCESS calculates the prorated standard allotment to the correct amount for new residents based on the application date.

When individuals leave the facility, benefits must also be prorated based on the day the household leaves the facility. The facility has a proration chart they must follow. Section 5324.4 provides more details.

Issuances of \$1, 3, and \$5 are allowed for prorated benefits when an individual leaves the facility.

5330 PARTICIPANTS IN PREPARED MEALS SERVICES

5331 COMMUNAL DINING

Any member of an eligible household who is 60 years of age or older may use all or any part of his food stamp benefits to purchase meals prepared at a communal dining facility authorized by USDA for these purposes. In addition, if the household member lives only with a spouse, the spouse, regardless of age, also may purchase meals from a communal dining facility provided the spouse receives SSI.

A communal dining facility means any facility such as senior citizens' centers, apartment buildings occupied primarily by elderly persons, any public or tax-exempt nonprofit private school which prepares meals especially for elderly persons during special hours, and certain other public or tax-exempt nonprofit private establishments which prepare and serve meals for the elderly. It also means a private establishment which is under contract with a state or local agency to offer, at concessional prices, meals prepared especially for the elderly. Such facilities may accept food stamp benefits only after authorization by USDA. Local communal dining facilities authorized by USDA to accept food stamp benefits in payment for prepared meals may be identified through the local USDA office.

5332 MEAL DELIVERY SERVICE

Any member of an eligible household who is 60 years of age or older may use all or any part of his food stamp benefits to purchase meals from a nonprofit meal delivery service authorized by USDA for this purpose provided the individual is housebound, feeble, physically handicapped, or otherwise disabled to the extent that he is unable to adequately prepare all his meals. In addition, if the household member lives only with spouse, the spouse, regardless of age or disability, also may purchase meals from a nonprofit meal delivery service.

A nonprofit meal delivery service means a political subdivision or a private nonprofit organization which prepares and delivers meals, which is recognized as tax-exempt by the Internal Revenue Service, and which is not receiving federally donated foods from UDA for use in the preparation of meals to be exchanged for food stamp benefits. These organizations may accept food stamp benefits only after authorization by USDA.

5400 STRIKERS

5410 RULE

Households with striking members shall be ineligible to participate unless:

- A.) The household was eligible for benefits the day prior to the strike and is otherwise eligible at the time of application.
- B.) The striker is exempt for the work registration requirement the day prior to the strike for any reason other than that they are employed.

Certified households with members who go on strike are not entitled to increased benefits if their income decreases because of the strike.

5420 DEFINITION - STRIKER

A striker is anyone who participates in a strike or concerted work stoppage by employees, including slowdowns and other concerted interruptions of the employer's operations.

A strike often affects others besides those directly participating in the strike. DSS does not consider these others to be strikers if:

- A.) They can't work because of the strike, or;
- B.) They fear to cross the picket line because of threatened harm or vandalism.

For example, airline pilots strike; in sympathy ticket handlers strike; baggage handlers cannot work because there is no work; and mechanics fear retaliation if they cross the picket line. The pilots and ticket handlers are strikers. The baggage handlers and mechanics are non-strikers.

- C.) They are locked out of their jobs by their employers.

Also, striking persons who are exempt from work registration for any reason other than employment are not considered strikers.

5430 CERTIFICATION PROCEDURES - STRIKERS

5431 ELIGIBILITY AND BENEFITS

Pre-strike eligibility is determined by considering the day prior to the strike as the day of application and assuming the strike did not occur.

Eligibility at the time of application is determined by comparing the striking member's income before the strike (as calculated for pre-strike eligibility) to the striker's current income and adding the higher of the two to the current income of nonstriking members during the month of application.

To determine benefits (and eligibility for households subject to the net income eligibility test), deductions are calculated for the month of application as for any other household. Whether pre-strike earnings are used or his current income is used, the earnings deduction is used, if appropriate.

Section 5431, Eligibility and Benefits, continued:

EXAMPLE (Striker income): An applicant household has one member who is on strike. This member earned \$800 monthly on the job immediately before the strike. At the time of application the striker receiving \$350 per month strike benefits plus \$350 from a part-time job. Pre-strike income is \$800 while post-strike income is \$650. Therefore, the CW will use the higher of the two incomes or \$800 when determining eligibility benefits. This is added to the rest of the household's income.

5440 RESOURCES

Special emphasis should be placed on determining assets available to the household because of the striker's recent long-term regular employment. In particular, the possible existence of extra cars or recreational equipment (such as boats or campers), stocks, bonds, or credit union accounts should be explored. In most cases, verification of resources will be necessary.

Property which normally is considered income producing, such as the tools of a tradesman, continues to be exempt from resources during a strike.

5450 INCOME VERIFICATION

The CW must document and verify all striker income including pre-strike and post strike income, union benefits and part-time jobs taken during the strike. The special provision for computing striker income applies at certification, recertification, and later changes. The procedure pertaining to what striker income is used is described in Section 5431.

5460 WORK REGISTRATION

Unless exempt, a striker must comply fully with the work registration requirement. A striker does not have to accept employment at a location subject to a strike or lockout. However, if the strike in which the member is participating is prohibited under either the Taft-Hartley or Railway Labor Acts, this constitutes a continuing offer of suitable employment to the striker. Failure by the striker to return to this employment for any reason must be considered failure to comply with work registration requirements, and the entire household is ineligible.

5500 EXCLUDED (DISQUALIFIED) PERSONS, NON-HOUSEHOLD MEMBERS, INELIGIBLE MEMBERS

5510 NON-HOUSEHOLD MEMBERS/INELIGIBLE MEMBERS

Section 2231(C) identifies non-household members. Non-household members include individuals who reside with the household but do not purchase/prepare meals, roomers, and live-in attendants. Non-household members may not be considered household members when determining the household's eligibility. The non-household member is not allowed to participate, their income/resources/expenses are not considered in the household's budget, and the individual is not included when assigning a benefit level to the household. Non-household members may participate as separate households if they apply and meet eligibility criteria.

Section 2231(E) identifies ineligible household members. Ineligible household members include individuals who reside with the household but are not eligible because they are boarders, institutional residents, or ineligible students. Ineligible members are not allowed to participate, their income/resources/expenses are not considered, and they are excluded when assigning a benefit level to the household. They may not participate as separate households. If an ineligible student shares the household's utility expense, the full utility allowance is allowed.

5520 EXCLUDED (DISQUALIFIED) MEMBERS RULE

A member or members of the household can be excluded while the remaining members continue to participate. Excluded persons are household members, although not allowed to participate, and their circumstances including income, resources, and allowable expenses subject to verification the same as any other member. Budgeting of resources, income, and expenses is addressed under Sections 5530 - 5552.

Exclusion may occur for the following reasons:

- A.) SSN disqualified - Individuals disqualified for failure to provide a SSN as set forth in Section 3700. *ACCESS: Member panel - SSN code: "R".*
- B.) Ineligible alien - Individuals who do not meet the citizenship or eligible alien status. (Individuals whose alien status is questionable, are ineligible aliens but should not be considered illegal aliens - see Section 3200.) *ACCESS - Member panel - Alien Info Codes: "I" Ineligible or appropriate alien code.*
- C.) Non-Compliance with Citizenship/Alien Signature Statement - Household members who fail or refuse to sign the statement attesting to their citizenship or alien status. [Section 3200] *ACCESS - Alien Info Code: *I* Ineligible.*
- D.) Able-bodied adults without dependents who have received their time limits and are not exempt from the ABAWD provisions described in Section 3300.

The excluded member under A.), B.) C.) or D.) above is not included when assigning a benefit level to the household; income and most allowable expenses are prorated among household members; and the excluded member's resources are counted entirely. If the excluded member shares heating/cooling costs with the household, the household is entitled to the full SUA. [Sections 5541, 5551]

Section 5520, Excluded (Disqualified) Members Rule continued:

- E.) Non-compliance with Work Registration or E & T - Individuals who do not comply with Work Registration or E & T as described in Section 3400. Includes individuals who voluntarily quit a job or reduce hours of employment without good cause. ACCESS: Mems panel - FS Reg. Code: "28"- Work Sanction; "30"-Voluntary quit/reduction of hours.
- F.) Intentional program violation (IPV) disqualified - Individuals disqualified for an intentional program violation as described in Section 7300. ACCESS - Mems panel - FS IPV.
- G.) Duplicate Benefits - Individuals found guilty of receiving duplicate food stamp benefits (both out-of-state and in-state) because they made a fraudulent statement regarding their identity or place of residence are disqualified for 10 years. The guilty decision must have occurred on September 22, 1996 or thereafter, and been issued from an Administrative IPV Hearing, signed waiver, or State or Federal court anywhere in the nation. The 10 year time frame starts the month following the month the individual signed the waiver or was found guilty. ACCESS - Mems panel - Spec. Disq. - "B", Dup. Date - Date 10 year time period starts.
- H.) Trafficking - Individuals are permanently disqualified if they are convicted of or sign a disqualification consent agreement for:
- 1.) trading benefits for weapons, ammunition, or explosives; and/or
 - 2.) trading food stamp benefits for a controlled substance on at least two separate occurrences September 22, 1996 or thereafter.
- ACCESS - Mems Panel - Spec. Disq. - "C"

Individuals are disqualified for 2 years if they are convicted or sign a disqualification consent agreement for the first time for trading food stamp benefits for a controlled substance. ACCESS - call help desk.

Individuals are permanently disqualified if they are convicted for buying/selling benefits in excess of \$499. (If the amount is less, the individual will be disqualified following IPV disqualification time frames - 12, 24, or permanently.)

- I.) Fleeing Felons/Parole/Probation Violators - Individuals fleeing to avoid prosecution, custody, or confinement for a felony, an attempted felony, or violating a condition of their parole or probation are disqualified. ACCESS - Mems - Spec. Disq.- "F".

The excluded member under E.) through I. above is not included when assigning a benefit level to the household and resources, income and allowable expenses are counted in their entirety. [Sections 5542, 5552]

- J.) Disqualification for failure to comply with federal, state and local general assistance requirements - Individuals disqualified for failure to comply with TANF or Tribal TANF requirements may not have their benefits increased because of the disqualification. (Currently TANF and Tribal TANF are the only programs that meet this definition in South Dakota.)

Section 5520, Excluded (Disqualified) Members Rule continued:

If the individual is disqualified during the application process for TANF or Tribal TANF; or was disqualified from TANF or Tribal TANF before receiving food stamp benefits, there is no carry-over disqualification because disqualifications are only for on-going TANF, Tribal TANF and food stamp recipients, not applicants.

TANF or Tribal TANF disqualifications carried-over to excluded members are:

- 1.) If an individual is disqualified from TANF or Tribal TANF for a time controlled period (100% sanction, voluntary quit, reduction in hours, or failure to accept an increase in employment hours), the individual is an excluded FS member and removed from the FS household count during the time period he/she is disqualified from TANF/Tribal TANF. ACCESS Mems panel - Spec. Disq.: "W" for 100% sanctions and "I" for the others. (Section 3453)
- 2.) If an individual is disqualified from TANF or Tribal TANF for Intentional Program Violation (IPV), the individual is an excluded FS member and removed from the FS count. ACCESS - Mems Panel - Spec. Disq. "I".

The excluded member under 1.) & 2.) above is not included when assigning a benefit level to the household and resources, income, and allowable expenses are counted in their entirety. [Sections 3453, 5542, 5552]

- 3.) If an individual's TANF or Tribal TANF grant is reduced by 50%, or \$50 child reduction penalties, the individual remains an eligible member and the grant reduction is added back as income automatically by ACCESS. [Section 5570]
- 4.) If TANF or Tribal TANF disqualifies a teen parent for not residing with a parent or in an approved setting, or not attending school full-time, but approves the teen parent's minor child for TANF or Tribal TANF benefits, there is no carry-over disqualification. The individual is ineligible for TANF or Tribal TANF, not sanctioned.
- 5.) If the TANF individual is disqualified for a felony drug conviction, that is not a carryover disqualification, and the amount of the individual's TANF grant is budgeted as received.

Individuals with a TANF or Tribal TANF grant reduction (3, 4, & 5 above) are not considered excluded members and continue to be in the food stamp household count. TANF grant reduction penalties are addressed under Sections 3453 and 5570.

- K.) Quality Control Disqualifications - Individuals refusing to cooperate with a Quality Control (QC) review are disqualified for 125 days following the end of the federal fiscal year (10/1-09/30). The household where the individual is receiving benefits is ineligible until the individual cooperates with QC, leaves the household or the disqualification period ends. If the individual leaves the household, the disqualification goes with the individual. (Section 2231 G) ACCESS - Mems - QC DSQ".

5530 RESOURCES - EXCLUDED (DISQUALIFIED) MEMBER

The resources of excluded individuals (defined under 5520, A-J) and individuals disqualified from TANF or Tribal TANF (defined under 5520, K - 1 & 2) are counted the same as other household resources and are considered available in their entirety to the rest of the household, unless exempt. The excluded member shall not be included in the household when comparing the household's resources with the resource eligibility limits, therefore if the only member of the household age sixty or older is the excluded member, the maximum resource limit is \$2,000.

5540 INCOME - EXCLUDED (DISQUALIFIED) MEMBER

5541 EXCLUDED HOUSEHOLD MEMBERS FOR ALIEN STATUS, SSN, FAILING TO SIGN ALIEN STATEMENT (301A) OR ABAWD TIME LIMITS

The earned or unearned income of individuals disqualified from households for failing to comply with SSN requirements; for being an ineligible alien; for failure to sign the citizenship or alien status statement (301A); or able-bodied adults without dependents (ABAWD) who have received their time limited benefits shall continue to be counted as income, less a prorata share for the excluded individual.

The amount to be counted is determined by dividing the excluded member's countable income by the number of household members, including the excluded member. All but the excluded person's prorata share is counted as household income. [Example: Household of five includes ineligible alien. The alien's countable income is \$500. \$500 is divided by 5 = \$100 each \$100 is ineligible alien's prorata share and is deducted from the \$500 leaving = \$400 countable income to the remaining household members.]

If the ineligible individual pays legally obligated child support payments to a non household member, the child support is excluded from the household's income less a prorata share for the excluded individual. Example: Food stamp household consists of 4 individuals, including an ineligible ABAWD. The ABAWD pays \$300 child support to a non household member. \$225 is excluded from the household's income for the legally obligated child support (300 by 4 individuals x 3 eligible individuals = \$225.)

Any cash contributions to the household made by the disqualified person from his own prorata share of income are counted in full as household income.

5542 ALL OTHER EXCLUDED MEMBERS

This section pertains to individuals excluded for:

- A. Work Registration or E & T Non-Compliance; or
- B. Intentional Program Violation (IPV); or
- C. Voluntary quit/reduction of hours; or
- D. Duplicate Benefits; or
- E. Trafficking; or
- F. Fleeing Felon/parole/probation violator; or

Section 5542, All Other Excluded Members, Continued:

G. Disqualified from TANF or Tribal TANF.

The earned or unearned income of an excluded individual listed above shall continue to be attributed in its entirety to the remaining household members.

5550 DEDUCTIBLE EXPENSES

This section explains how to budget household deductions when a member or members are excluded.

5551 EXCLUDED FOR NO SSN, INELIGIBLE ALIEN, NOT SIGNING THE CITIZENSHIP/ALIEN STATUS STATEMENT, or ABAWD TIME LIMITS

- A.) Standard deduction - This deduction is given in full to the remaining members.
- B.) Earned income deduction - This deduction applies only to that portion of the excluded person's earned income that has been attributed to the household (as explained above), and in full to the earned income of any of the remaining members.
- C.) Countable expenses other than utility expenses: - Billed to or paid by the excluded person must be divided equally among all members, including the excluded member. Child care, rent, mortgage, taxes, insurance, lot rent, and/or legally obligated child support payments made by the excluded member to an individual not residing with the payer must be divided equally among all members, including the excluded member. The entire utility standard is allowed to the household if the excluded member pays part or all of the expense. Subtract the excluded person's prorata share and count the remainder with household expenses. Any expense billed to one of the remaining members or child support payments paid by the remaining members is counted in full unless the excluded person pays it. The following expenses are handled according to this principle:
 - 1.) Dependent care.
 - 2.) Shelter costs (other than the utility expenses).

The household receives the entire utility standard even if the excluded person pays part or all of the utility expense. It shall not be prorated.

- D.) Medical and uncapped excess shelter expenses are handled as follows:
 - 1.) Medical - Disregard any medical expenses incurred by the excluded person even if the expense is billed to a remaining member. Count any allowable medical costs incurred by any of the remaining members (if they are eligible for the medical deduction). Prorate this allowable medical expense between remaining members and excluded member if it is billed to or paid by the excluded person. Allow all but the excluded member's prorata share as a household deduction. The standard medical expense of \$200 is allowed if the household's total medical expenses (including prorated amounts) are at least \$36 and under \$201.

Section 5550, Deductible Expenses, continued:

- 2.) Uncapped shelter - If the excluded member is the only individual disabled or age 60 or over, uncapped shelter is not allowed, If a non-excluded member is disabled or age 60 or over, the household is entitled to uncapped shelter.

5552 ALL OTHER EXCLUDED MEMBERS

This section pertains to individuals excluded for:

- A. Work Registration or E & T Non-Compliance; or
- B. Intentional Program Violation (IPV); or
- C. Voluntary quit/reduction of hours; or
- D. Duplicate Benefits; or
- E. Trafficking; or
- F. Fleeing Felon/parole/probation violator; or
- G. Disqualified from TANF or Tribal TANF.

The entire household's allowable earned income, standard deduction, medical, dependent care, allowable child support payments, and excess shelter deductions continue to apply to remaining household members. If the household's allowed medical expenses are at least \$36 and under \$201, the standard medical expense of \$200 is granted.

5560 WORKER ACTION ON EXCLUDED (DISQUALIFIED) MEMBER

When a person is excluded during a certification period, the worker must determine eligibility and allotment for the remaining household members from information already contained in the case folder as far as possible. An interview may be scheduled if necessary and required verifications may be completed.

A notice of adverse action must be given to the household before excluding a person for:

- A. SSN, Alien status, failure to sign citizenship statement
- B. Work Registration or E & T Non-Compliance, including voluntary quit or reduction of hours; or
- C. Duplicate Benefits; or
- D. Trafficking; or
- E. Fleeing Felon/parole/probation violator; or
- F. Disqualified from TANF or Tribal TANF; or
- G. Quality Control disqualification.

The notice must be sent to inform the household that the individual is being excluded, the reason for the exclusion, the eligibility and benefit level of the remaining members, and the action the household must take to end the exclusion, if applicable. The notice must also inform the household the reason for the disqualification period and the action they must take to end the disqualification.

Section 5560, Worker Action on Excluded (Disqualified) Member, continued:

A notice of adverse action is not required when excluding a person for an intentional program violation (IPV). The IPV hearing process is sufficient notice to the household that a member is being excluded. The worker must, however, provide written notice to the household member prior to implementing the disqualification penalty using the automated NIPV notice. (Section 7300)

5570 TANF or Tribal TANF GRANT REDUCTION CARRY-OVER POLICY

If a TANF or Tribal TANF household's sanction is a grant reduction, the amount of the reduction is added back as TANF or Tribal TANF unearned income, and the individual is included when assigning a benefit level to the household if the individual has an ongoing SNAP case and is not a TANF applicant. Specific grant reduction sanction policy is:

- 1.) The 50% grant reduction must be added back to the grant amount the household actually received, and the full amount is shown in the SNAP budget [the individual remains in the SNAP household count];
- 2.) If the grant is reduced for a child's failure to attend school, sign a PRP, or cooperate with WORK, each \$50 reduction must be added back to the TANF grant amount the household actually received and the child remains in the SNAP household count.
- 3.) If the grant is reduced for failing to participate fully in a WORK activity, the amount of the prorata benefit reduction must be added back to the TANF grant amount the household actually received and the individual remains in the SNAPS household count.
- 4.) If the TANF grant is reduced because of an IPV recoupment, the worker must add the recouped amount back into the TANF grant on the UNEA panel.

If the TANF or Tribal TANF case is closed for a disqualification and the individual has an ongoing TANF and SNAP case, the individual is a disqualified SNAP member and not included when assigning a benefit level to the household. Resources, income and allowable expenses are counted in their entirety. (Sections 3453, 5542, 5552)

NON-ELIGIBLE PERSONS

HOW TO BUDGET: TANF \$50, 50%, and prorata grant reductions are automatically added back into the budget as income and the individual remains in the household count. Tribal TANF \$50 and 50% and TANF IPV recoupments must be manually added into the budget and the individual remains in the household count.	Ineligible Aliens, Fail to Sign 301A, SSN Disqualified Members, or excluded ABAWDS:	Individuals excluded for Work Reg, E&T, IPV, Quit/Rdc Hr, Duplicate Benefits, Fleeing Felon, Parole, Probation, Trafficking, BIA carryover, or TANF/Tribal TANF carryover for 100%/IPV/Quit/Reduced/Increased job hours.	Non-Household Members: Live-In Attendant, Roomer, Ineligible Student, Not purchase/prepare food with hh.
	YES NO	YES NO	YES NO
Person Counts in Determining Income Limit	X	X	X
Person Counts for Allotment Level	X	X	X
If Elderly, Person Entitles Household to:			
a. \$3,000 Resource Standard	X	X	X
b. Net Income Only Test	X	X	X
c. Medical Deduction	X	X	X
d. Uncapped Shelter Deduction	X	X	X
Resources Count	X	X	X
Income Counts	Prorated Among ALL Household Members	Entire Amount Budgeted	X**
Shelter Deduction When Excluded or Non-Household Member is Billed and Pays the Entire Bill	Prorated Among ALL Household Members EXCEPT do not prorate SUA	Entire Amount Budgeted	X**
Child Care Deduction When Excluded or Non-Household Member is Billed and Pays Entire Bill to someone outside the household and Child is Eligible	Prorated Among ALL Household Members	Entire Amount Budgeted	X**
Medical Expenses When Excluded or Non-Household Member is Billed and Pays Entire Bill and Expense is for an Eligible Member	Prorated Among ALL Household Members	Entire Amount Budgeted	X**
Legally obligated Child Support Payments when Excluded or Non-Household Member is paying them to someone outside the home	Exclusion Prorated Among ALL Household Members	Entire Amount Excluded	X**

Be aware that an individual may be in more than one category at a time. For example, Jane began her IPV disq. in July. In August, she enrolled in college and became an ineligible student. Jane maintains her status as an IPV disqualified member until her sanction expires. Then Jane becomes an ineligible student if her circumstances have not changed. Similarly, if an individual is both an ineligible alien and an ineligible student, the rules for ineligible alien apply. If a household member is disqualified for failing to comply with Quality Control, the entire household is ineligible.

** If the non-household member is paying the entire expense, then no deduction is allowed. If the household shares expenses with the non-household member, only the amount actually paid or contributed by the household is deducted as an expense except for utilities. The utility allowance is never prorated so if the household shares in the utility costs with a non-eligible member, the full allowance is allowed. If the non-household member and a member of the household have a joint checking account, and the expense is paid from that account, then the expense would be prorated among the number of people who own the joint account and the eligible member(s) share would be counted as a deduction. If the household's portion cannot be separated from the non-household member's portion, the worker deducts the household's prorated share.

5600 FARM WORKERS

Farm workers generally are categorized as those doing either resident farm work or seasonal migrant farm work.

5610 RESIDENT FARM WORKERS

Resident farm workers are certified differently depending on whether their primary source of income is from one employer or they receive income from a number of employers throughout the year. The certification periods and handling procedures differ for each category because of the varying predictability of these household's circumstances.

5611 ONE EMPLOYER

Farm workers, whose primary source of income is from one employer, may be certified for up to one year, if income can be readily predicted and the household's circumstances are not likely to change. These households normally are regularly employed for the entire year and receive a regular monthly salary. In some cases, however, the household is paid for work done only during the work season but lives on the farm all year and may receive advanced or deferred payments (sometimes known as "furnish") during the nonwork season. When advanced or deferred payments are not received, the household probably will have income from another source and should be treated as a multiple employer household.

The regularly employed and paid farm workers present little difficulty in assigning the predicted income over a 12-month period. Since the income is regular and should not vary from month to month, the monthly income figure may be used to determine the allotment for the entire certification period.

On the other hand, workers may have difficulty assigning an income figure to the farm worker whose income is high during the work season and correspondingly low during the nonwork season when income is only from advanced or deferred payments. Since the variation in income between the two cycles may be substantial, averaging income over the certification period might inhibit participation of these households during the nonwork period when income is low. For this reason, consideration should be given to varying the allotment during the certification period to take into account the income actually available to the household. The household must be informed on its notice of eligibility that adjustments will be made and when they will be made.

5612 MULTIPLE EMPLOYERS

Farm workers who work for a number of employers during the farm work season and who also receive income from varying sources during the nonwork season may be certified for three months. These households may be certified from month to month; if there is no readily detectable pattern of income.

Verification of income for this type household is particularly difficult unless a pattern has been established over a period of time. Households assigned certification periods of more than one month may choose not to average their income over the certification period. A variable allotment might be necessary in these cases.

5620 MIGRANT FARM WORKERS

Migrant households are exempt from monthly reporting, retrospective budgeting procedures.

Migrant farm workers are persons who have moved into a county or returned to their home county to seek or to engage in farm, land, or crop cultivation work, or farm-related work such as canning or packing. The household must include at least one migrant farm worker to be classified as a migrant farm work household.

Workers should consider the possibility that the household already has received food stamps for the month of the move in another county. If the migrant household has not received food stamp benefits in the application month and if the household participated in the Food Stamp Program in any state within 30 days prior to the date of the current application, they are entitled to receive a full month's allotment instead of a pro-rated allotment.

5621 DETERMINING INCOME

Workers must not use an anticipated income figure when it is based on the anticipated workdays available in a specific area or line of work. It cannot be assumed that because work is available, everyone will be employed. If there are 2,000 farm laborer jobs and 3,000 migrants have entered the county, it is clear that some will be unable to find work or may find only minimal work.

When migrants enter an area, they may not yet have found employment. If crops are not yet ready to be harvested, there may be a delay before any income is received. In these cases, the household may qualify for expedited service. After that time, it is reasonable to assume that the household will have established some sort of work history by which future income may be anticipated.

5622 VERIFICATION OF INCOME

Although documentary verification is not always available for the earnings of migrant households, verification of earnings may be obtained through a variety of sources such as employment services, Farm Labor Bureau, Rural Manpower Development, Farmer's Cooperative Service, Growers' Associations, Migrants' Service Organizations, the county agent, and individual growers and crew chiefs. If the applicant indicates that he will be working for various growers or crew chiefs, a calendar sheet providing space for recording each day's income and hours worked, including space for the signature of the grower or crew chief to validate the information, may be given the household for use at the next certification.

5623 EXEMPT INCOME OF MIGRANT CHILDREN

It often is difficult to determine the income of migrant children under age 18 when the household receives one payment in compensation for work performed by all household members. Since the earned income of a student under age 18 is exempt, the student's income must be separated from the rest of the household's income. Workers should, as part of the certification process, determine which may be attributed to the student's work and excluded from the household's income.

Section 5623, Exempt Income of Migrant Children, continued:

If the child's earnings or amount of work performed cannot be distinguished from that of other household members, the total income must be prorated equally among the working members and the child's pro rata share excluded. This provision applies to students who are currently attending school or plan to return to school after academic breaks. The excluded income is not counted in determining the household's 20 percent earned income deduction.

5624 VERIFICATION OF RESOURCES

Special care should be taken with migrant cases to determine if there are out-of-state resources or income from real property in the home base area.

EXAMPLE: A migrant who claims Michigan as home and who is applying for food stamps in South Dakota should be asked about available resources in both states.

Particular attention should be paid to real property in the home base area. Each household is allowed one home and surrounding property as an exemption from resources. If the applicant has a home in Michigan and does not own a home in South Dakota, the Michigan home is exempt. Shelter costs on the current residence and also the temporarily unoccupied home may be budgeted as described in Section 4122.61.

Additionally, the worker should explore the possibility that the out-of-state real property is being rented or is producing income in some way. If the property is producing income, the income must be added to all other household income in determining eligibility and amount of stamps.

5625 CERTIFICATION PERIODS

Because of the uncertainty of their income and the likelihood of frequent and substantial changes in their circumstances, migrant households normally are certified for one month. A two- or even three-month certification period may be assigned if household income and circumstances are sufficiently stable and the household chooses to average its income and expenses.

EXAMPLE: A contract with a crew chief or grower may specify the length of employment and the wages to be paid; or, the household is being certified during a nonwork period; or, the household may have returned home. These or similar circumstances may justify a certification period of more than one month.

5626 WORK REGISTRATION

Employable members of migrant households who are not employed at least 30 hours a week for one or more employers must register for and accept suitable employment the same as other persons. Migrants with a contract for work, but not working for various reasons, would be required to register for work if employment is not expected within a short period, such as three or four days.

5700 CONTRACT DEFINITION/EMPLOYEES

Households with members who receive contract income which is renewable on a yearly basis or intended for their annual support will have this income averaged over a 12-month period to determine household eligibility.

To be considered contract income, a contract must be written or implied and the salary amount identified in the contract must be for a set dollar amount, not an hourly or piece meal basis. Additionally, the salary must be paid based on the set dollar amount, not paid by how many hours were worked or the amount of work that was completed.

If the contract indicates an hourly wage and a further contract with the employer verifies the contract is for a predetermined total salary amount, the income is considered contract income. If the contract indicates a predetermined total salary amount, but the individual is paid based on the number of hours worked or the amount of work that was completed, it is not contract income and is treated as normal earned income.

EXAMPLE: John signed a contract for 9 months as a school janitor and the contract states he will receive \$9000 in monthly installments. John states the income is intended for his annual support:

If John is paid \$1000 every month regardless of the hours he works, it is a true contract situation and we would budget \$9000 by 12 months = \$750 monthly.

However if John's monthly wages vary by the number of hours he works per month, it is not a true contract because John is being paid by the hour, not by the contract amount. [For example one month his wage shows 160 hours X \$6.25 per hour and 20 hours X \$9.38 overtime, and the next month shows 100 hours X \$6.25, and the pay is equal to the hourly rate.] John's income would be budgeted as received in this situation, not annualized or averaged over the period of the contract.

Contract income that is intended for the household's annual support will be budgeted for an entire year, even though predetermined nonwork periods are involved or actual compensation is scheduled for payment during work periods only. The provisions of this paragraph may apply, for example, to teachers and other school employees, or to sharecroppers, but not to migrant farm workers.

5710 CONTRACT RENEWAL

The renewal process may involve a signing of a new contract each year, may be automatically renewable, or, as in cases of school tenure, rehire rights may be implied and not require a written contract.

5720 WORK/NONWORK CYCLE

The fact that this type contract is in effect for an entire year does not necessarily mean that the contract will stipulate work every month of the year. Rather, there may be certain predictable nonwork periods or vacations, such as the summer break between school years.

5730 INCOME

Income from the contract will be considered as compensation for a full year regardless of the frequency of compensation as stipulated in the terms of the contract, as determined by the employer or by the employee.

5740 DETERMINATION OF ELIGIBILITY AND BENEFITS

The yearly income that household members receive from contractual employment, described above, must be averaged over a 12-month period to determine the member's average monthly income. To determine household eligibility, all other monthly income from other household members must be added to this average monthly income. Income exclusions and deductions are applied to the gross monthly income, as in any other case, to determine the household's benefit level.

For monthly reporting households contract income received over a period of less than one year that is not intended for annual support is prorated over the period of intent and budgeted retrospectively. The contract income must not affect more benefit months than the number of months in the period it is prorated. The income is not used in the budget calculation prospectively but continues to be used for prospective eligibility determination.

Certification periods will be assigned in accordance with Section 6300.

5750 EXCEPTIONS

Sections 5700 through 5740 do not apply when the other party to the contract cannot or will not make payments specified in the contract; or when labor disputes interrupt the flow of earnings specified in the contract.

5800 HOUSEHOLDS CONTAINING SPONSORED ALIENS

5810 DEFINITIONS

- A. A "sponsored alien" is a person lawfully admitted for permanent residence into the United States (Section 3200) for whom a sponsor has executed an affidavit of support (INS Form I-864 or I-864A) on behalf of the individual.
- B. A "sponsor" is a person or organization signing the affidavit on behalf of the alien as a condition of entry. If the sponsor's spouse also signed an affidavit on behalf of the alien, the sponsor's spouse income and resources must also be deemed.
- C. "Date of entry" or "Date of admission" means the date established by the Immigration and Naturalization Service as the date the sponsored alien was admitted for permanent residence.
- D. The affidavit of support (I-864 or I-864A) is a legally enforceable contract between the sponsor(s) and federal government for the benefit of the sponsored immigrant.
 - 1. The affidavit is required for all applications for immigrant visas or adjustment of status filed on or after December 19, 1997 (unless the individual is not required to have a sponsor under Immigration and Nationality Act (section 5820, C)).
 - 2. By executing Form I-864 or I-864A, the sponsor(s) agrees to provide the financial support necessary to maintain the sponsored immigrant at an income that is at least 125% of the federal poverty line, unless the obligation has terminated (Section 5830).

5820 EXCEPTIONS TO SPONSORED ALIEN RULES:

- A. Aliens who are members of the sponsor's food stamp household.
- B. Aliens who are sponsored by an organization.
- C. Aliens not required to have a sponsor under the Immigration and Nationality Act such as refugees, parolees, asylees, and Cuban or Haitian entrants. Children, under age 18, who are legally residing in the U.S.
- D. Sponsor deeming does not apply to children who are legally residing in the U.S. and under 18 years of age.
- E. A battered alien spouse, alien parent of a battered child, or a battered alien.
 - 1. An exception from sponsor deeming for certain battered spouses and children is allowed for a one-year period.
 - 2. This exception is for immigrant spouses and children who have been battered or subject to extreme cruelty in the United States by their spouses, parents, or by another family residing in the household who was allowed to commit the acts.

Section 5820, Exceptions to Sponsor Deeming Continued:

3. The battery or cruelty must have a substantial connection to the need for the public benefits.
 4. The spouse or child subjected to cruelty must not be living with the person who committed the abusive acts.
 5. The battered spouse exception may extend beyond the initial one-year period if the INS judge, or an administrative law judge formally recognizes the battery or extreme cruelty occurred. The local department must also determine that the abuse continues to have a connection with the spouse or child's need for benefits.
 6. State Office assistance may be requested if this situation occurs.
- F. An indigent alien whose sponsor's contribution is so inadequate that the immigrant is unable to obtain food and shelter.
1. "Unable to obtain food and shelter" means the total amount of the eligible sponsored alien's household own income, plus any cash, food, housing, or other assistance (including in-kind) provided by other individuals, including the sponsor(s), does not exceed the gross income test for the household's size (130% of the federal poverty level).
 2. To make this determination, add the alien's countable income less farm loss or legally obligated child support paid to a non household member, plus any cash, food, housing, or other assistance provided by other individuals, including the sponsor(s), in the month of application.
 - x. In-kind assistance is defined as performing some work or service in lieu of paying for a product or service. Determine the amount of in-kind assistance by estimating a value for it. For example, if the alien does work for the sponsor for his room, ask the sponsor how much he normally charges for the room rent. Documentation is essential.
 3. Compare the total income, contribution and value of in-kind assistance to the gross income limit for the alien's household size. If the total is greater than the gross income limit, the alien is not indigent, and sponsor deeming must occur. If it is less, the alien is indigent.
 4. If the alien is indigent, the indigent exemption continues for 12 months from the month of determination. After 12 months, a new indigent determination is required (follow steps 1-3).
 5. During the 12 months the alien is considered indigent, count only the actual amount of cash support paid to the alien from the sponsor(s) for sponsor deeming, beginning with the month of determination.

Section 5820, Exceptions to Sponsor Deeming Continued:

6. When an indigent determination is made, report to the US Attorney General in writing.
 - x. The Attorney General, US Department of Justice, 950 Pennsylvania Ave., NW, Washington, DC 20530-0001
 - xi. Include the name of the indigent alien, the name of the sponsor, and the 12 month indigent time frame.
 - xii. Send a copy of the letter to State Office.
- F. Sponsor deeming rules only apply to eligible aliens so if the individual is an ineligible alien, no deeming is completed.

5830 TERMINATION OF SPONSOR OBLIGATION

The sponsor's support obligation terminates when the sponsored alien:

- A. Becomes a citizen of the United States; or
- B. Has worked, or can be credited with 40 qualifying quarters of work (Section 3222); or
- C. Ceases to hold the status of an alien lawfully admitted for permanent status and has departed the U.S; or
- D. Dies.
- E. The sponsor's obligation also terminates if the sponsor dies.
- F. If the alien changes sponsors, use the new sponsor's income and assets.

5840 REPORTING AND VERIFICATION RESPONSIBILITIES

- A. The eligible sponsored alien is responsible to:
 1. Obtain the cooperation of the sponsor(s) and provide the agency with any information or documentation necessary to calculate deemed income and resources; and
 2. Provide names and other identifying information of other aliens for whom the alien's sponsor(s) has signed an affidavit of support, if known; and
 3. Report if the sponsor(s) changes, and provide required information; and
 4. Report a change in income if the sponsor(s) changes or loses employment or dies.

INS offices are in agreement with USDA to provide information to State agencies that is needed to carry out verification requirements in this Section.

Section 5840, Reporting and Verification Responsibilities Continued:

- B. If the sponsored alien is unable to provide information or verification:
1. Offer assistance in obtaining the information, if appropriate.
 2. The alien is ineligible until the information or verification is received.
 - x. If the alien is the only sponsored member, eligibility must be determined for the remaining household members.
 - xi. The ineligible alien's resources count in their entirety and income and expenses are prorated (Section 5500).
 - xii. No sponsor deeming is required for ineligible aliens.
 3. If the same sponsor(s) are responsible for all members of the household, the entire household is ineligible until the information and verification are received.
- C. If the sponsored alien refuses to cooperate in providing information or verification:
1. Other adult members, if any, must provide the information and/or verification needed to determine eligibility. If no other adult members, stop here, the individual is ineligible until the information is provided.
 2. DSS must offer assistance to the other adult household members in obtaining the information, if appropriate.
 3. The alien remains ineligible until the information or verification is received.
 4. If the same sponsor(s) are responsible for all members of the household, the entire household is ineligible until the information and verification is received.

5850

SPONSOR(S) INCOME AND RESOURCE CALCULATION

- A. Resources of the sponsor and the sponsor's spouse (if the spouse also signed an affidavit) must be determined following food stamp procedures for resources.
1. ADD : Allowable assets;
 2. SUBTRACT : \$1500.00;
 3. DIVIDE BY : Number of aliens sponsored, if known. If not known, the entire amount counts;
 4. EQUALS : Amount of resources deemed per member sponsored.

Section 5850, Sponsor(s) Income and Resource Calculation Continued:

B. Income of the sponsor and the sponsor's spouse (if the spouse also signed an affidavit) must be determined following food stamp procedures for income.

1. ADD : Earned income of sponsor(s);
2. SUBTRACT : 20% of the earned income;
3. ADD : Unearned income of sponsor(s);
4. SUBTRACT : Legally obligated child support payment and/or farm loss;
5. SUBTRACT : Gross monthly income limit for family size (number of dependents who are, or could be, listed on the Federal Income Tax Form);
6. DIVIDE BY : Number of aliens sponsored, if known. If not known, the entire amount counts;
7. EQUALS : Income deemed per member sponsored.

Actual money paid to the alien by the sponsor(s) is not considered income to the alien, unless the amount paid exceeds the amount deemed (as determined above). Consider the excess as unearned income to the sponsored alien in addition to the amount deemed.

5860

CLAIMS AGAINST SPONSORED ALIENS/SPONSORS

Any overissuances will be the sole responsibility of the household because the sponsored alien is responsible for obtaining and reporting sponsor information and verifications.

5900 MONTHLY REPORTING/RETROSPECTIVE BUDGETING (MRRB)

Information in this section applies exclusively to households subject to retrospective budgeting, and/or monthly reporting. This information takes precedence over other manual material when applied to households under the retrospective budgeting system.

Under a retrospective budgeting system, the CW looks back in time to determine what a client's actual financial capacity was in the past and issuing benefits which, added to the capacity, should equal the client's needs. For example, a household's income and deductions from February 15 through March 14 would determine the level of benefits they would receive in April. This system of using income received in a past month to determine a household's benefit level is similar to the system used in TANF.

5901 DEFINITIONS

The following definitions apply to this section:

- A.) Adequate Notice - The CW must inform the household of any change from its prior benefit level and the basis for its determination. This explanation is not simply a restatement of the change, but a demonstration that the household's particular size, income, deductions or other circumstances resulted in increased, decreased or terminated benefits. The adequate notice must include:
- 1.) The action the CW has taken or intends to take;
 - 2.) The reason for the intended action;
 - 3.) The household's right to request a fair hearing (already incorporated on the notice)
 - 4.) The name of a person to contact for additional information;
 - 5.) The availability of continued benefits (already incorporated on the notice)
 - 6.) The household's liability for overissuances received while awaiting a fair hearing decision which is adverse to the household (already incorporated on the notice).

Because of short time frames under MRRB, advance 10 day notices are impractical for both recipients and the agency. While this notice does not inform the household in advance of any change, it is adequate in that it details the change, its cause, and explains that redress through the hearing process is available.

Section 5901 A, Definition, Adequate Notice continued:

When benefits are decreased or terminated, the CW must send the notice so that the household receives it no later than the date the resulting benefits are to be received or in place of the terminated allotment. Recipients are allowed 10 days from the date the notice is mailed to contest the agency action and to have benefits restored to the previous level pending the fair hearing decision. (Section 7140.) If the 10-day period ends on a weekend or holiday and a request for continued benefits is received the day after the weekend or holiday, the agency will consider the request to be timely.

- B.) Beginning Month - The month in which a household applies for food stamps. A beginning month cannot be any month which immediately follows a month in which a household is certified.
- C.) Budget Month - The fiscal month (15th to the 14th) for which the CW uses income and other household circumstances to calculate the household's food stamp allotment for the corresponding issuance month.
- D.) Grace Period Month - Any month for a monthly reporting household residing on reservation land for which benefits are granted based on the prior month's calculations because the household failed to file a monthly report form.
- E.) Issuance Month - The calendar month for which DSS shall issue a food stamp allotment. Issuance is based upon income and circumstances in the corresponding budget month. In prospective budgeting (the beginning month), the budget month and the issuance month are the same. In retrospective budgeting, the calendar issuance month follows the fiscal budget month.
- F.) Monthly Report Form (EA-214) - A questionnaire which each retrospective budgeting household (except those excluded in Section 5902) sends in monthly to report household income and circumstances.
- G.) Prospective Budgeting - The computation of a household's food stamp allotment for an issuance month based on the CW's best estimate of income and circumstances which will exist in that month. Under retrospective budgeting, prospective budgeting is used only in the beginning month.

Section 5901 A, continued:

- H.) Prospective Eligibility - The projection of a household's eligibility to participate for the issuance month based on the CW's and household's best estimate of income and circumstances for the issuance month.
- I.) Reinstatement - The opportunity for a monthly reporting retrospective budgeting household to regain eligibility for participation without having to file a new application. To be reinstated a household must file a completed EA-214 before the end of the issuance month, unless the household is paid through reservation grace rules. If a reservation grace case, the household must submit the missing report form and that month's monthly report form prior to the end of the month following the reservation grace month.
- J.) Retrospective Budgeting - The computation of a household's allotment for an issuance month based on actual income and circumstances that existed in the budget month.
- K.) Timely Notice - A written notice which contains all the elements of adequate notice and also is dated at least 10 calendar days before the action takes place. Timely notice only applies to information reported through a nonhousehold member.
- L.) Processing Period - The intervening time between the end of the budget month and the issuance date. During this period of time, the CW shall take appropriate action as warranted by the EA-214.

5902 INCLUDED AND EXCLUDED HOUSEHOLDS

All households shall be included in the MRRB system except as follows:

1. Migrant and seasonal farmworkers whether or not they are in the jobstream;
2. Households where all adult members are elderly and/or disabled as defined in Section 2012, and the households only earned income is annualized self-employment (BUSI type 1);

Section 5902, Included and Excluded Households continued:

3. Households in which all individuals are homeless as defined in Section 2020;
4. Households whose only earned income is annualized self-employment (BUSI type 1). EXCEPTION: If all members of the household receive TANF or UPP and are required to monthly report for that program, they will also be required to monthly report for FS.
5. All residents of group living facilities are exempt from monthly reporting requirements. (This includes residents with earned income - they are not required to monthly report - Section 2810.)

5903 CHANGE IN REPORTING REQUIREMENTS

When a non-monthly reporting household becomes subject to monthly reporting, the household must start reporting with that retrospective cycle.

If it is determined at the time of recertification that a non-monthly reporting, prospectively budgeted household should be subject to monthly reporting and retrospective budgeting, the household may be given an EA-214 and EA-214A so their case can be retrospectively budgeted the first month of their certification period. However, monthly reports for prior months may not be required.

A household who would otherwise be a non-monthly reporter if it were not for receipt of earned income is required to monthly report. If that earned income stops, the household becomes a non-monthly reporter when the final check is budgeted retrospectively. If the household's final day was January 23, but they will receive their final check February 6, they would be considered a monthly reporter for February, (12/15-1/14) and March (1/15-2/14) and budgeted retrospectively. They would then become a non-reporter for April and have April benefits budgeted prospectively.

5904 SPECIAL ASSISTANCE

The CW, upon request from the household, shall provide special assistance in completing and filing monthly reports to households whose adult members are all either mentally or physically handicapped or are non-English speaking or otherwise lacking in reading and writing skills such that they cannot complete and file the required reports.

5905 INFORMATION ON MRRB

At the certification and recertification interview, the CW shall provide the household with the following:

- A.) An oral explanation of the purpose of MRRB;
- B.) A copy of the monthly report and an explanation of how to complete and file it;
- C.) An explanation of what the household shall verify when it submits a monthly report and how it will verify it;
- D.) The telephone number (where collect calls will be accepted) which the household may call to ask questions or to obtain help in completing the monthly report; and
- E.) A copy of the EA-339.

5910 DETERMINING ELIGIBILITY AND ALLOTMENTS IN THE BEGINNING MONTH

The CW will use prospective determinations in the beginning month for both eligibility and allotment. Beginning month means the month in which the household applies for food stamps. The special provisions for the beginning month are in effect only for new applicants, not recertifications.

For a beginning month, the household cannot have been certified in the preceding month. This prevents a household from leaving the program (and MRRB) and reentering under prospectively eligibility whenever it is to the household's advantage. An exception to this rule is when a household which was certified in the month prior in another state transfers to South Dakota. In those instances, beginning month provisions are applied to transfer households even though they were certified in the prior month.

5911 EXPEDITED APPLICATIONS APPLYING AFTER THE 15TH OF THE MONTH

Monthly reporting households who have applied after the 15th of the month and meet the expedited service provisions for the initial month must file a monthly report form at application to receive their second month's benefits within the expedited time frame. Verifications, however, may be postponed if needed to meet the required time frames as per Section 2790. If the monthly report form is not filed prior to approval of the initial month's benefits, the household is not entitled to combined allotment procedures and the worker must follow normal expedited service procedures.

5920 ONE MONTH SYSTEM

A particular month may be a beginning month for MRRB purposes and an initial month for proration purposes.

For example, a household's job ends and benefits are applied for March 11. March would be an initial month - meaning that the household would receive a prorated share of the full month's allotment. It would also be a beginning month - meaning that its eligibility and allotment would be based on income counted prospectively for March rather than retrospectively for February.

The first month for which the issuance is based on retrospective budgeting is the second month of participation. If income terminated and final check was received prior to the beginning month, the income is not counted in the appropriate retrospective cycle. If income terminated in the beginning month and final check was received in the beginning month, the income must be counted prospectively in the beginning month. If the terminated income was counted prospectively in the beginning month, the income will be excluded from consideration in the first or second retrospective month. This procedure also applies to day care expenses if they are terminated. Section 5922 addresses terminated income situations more thoroughly.

5921 DETERMINING ELIGIBILITY AND ALLOTMENTS

The CW shall determine eligibility by considering all factors of eligibility prospectively for each of the issuance months, even though issuances are determined retrospectively. For example, if the budget month is Feb. 15 to March 14 and the issuance month is April, the household's eligibility would be determined based on circumstances that are anticipated to occur during April. Then if the household is eligible, the allotment would be based retrospectively on household circumstances during the budget month. Using this system, the CW will have to perform two determinations, one for eligibility from the issuance month and one for the allotment from the budget month.

If the household is prospectively ineligible, their case shall be terminated.

EXAMPLE: The Smith household is certified. Their monthly report for April (March 15 - April 14) shows a household size of 6 people and income from unemployment compensation. It also shows a household member got a job which began April 10. The full month's salary projected for May is enough to make the household ineligible, even though the household would still be entitled to an allotment based on partial earnings for April plus the unemployment compensation. The household's eligibility would be terminated, and they would not receive an allotment for the May issuance month.

Section 5921, Determining Eligibility and Allotments continued:

EXAMPLE: The Jones sent in their monthly report form on April 15 for budget month of March 15 through April 14. They report they moved April 15 and submitted a lease agreement. Update the address and enter the new rent amount in the prospective field. The household remains prospectively eligible so May benefits are determined based on income and expenses between March 15 and April 14 - in other words the previous rent amount continues to be budgeted retrospectively for May issuance. (Rent must be changed retrospectively for the next issuance month - June in this case.)

5922 TERMINATED INCOME

Terminated income must meet the following criteria to meet the terminated income definition:

1. The income must be terminated from the source, not temporarily suspended;
2. The income must end prior to the beginning month or in the beginning month and final check must be received prior to the beginning or in the beginning month;
3. If income terminated prior to the beginning month, and final check was received prior to the beginning month, the income is not counted prospectively or retrospectively;
4. If income terminated and final check was received in the beginning month, the income must be counted prospectively in the beginning month;
5. If income terminated and final check was received in the beginning month but the income was not counted prospectively in the beginning month, the portion of income not counted prospectively must be counted in the first and/or second retrospective months.

If income does not meet criteria 1.) & 2.) above, the income is not considered terminated and is counted in its entirety prospectively and retrospectively.

Some examples of budgeting of terminated income are listed below:

Mrs. O. applied for Food Stamps **March 15**. She lost her job **March 10** and received her final check **March 13**. The only income earned in March was \$200 received **March 13** and was her final check.

- a. The March prospective income is \$200.
 1. Prospective budgeting counts all income and expenses received in beginning month (March).
- b. The April retrospective income is \$0.00.
 1. Income ended and was counted in prospective budget for beginning month so meets terminated income definition and is not counted in retrospective budget.
 - a) If the final check was received March 15 and counted in the beginning month, would not be counted for May retrospective budget month either.

Section 5922, Terminated Income, continued:

Mrs. O. applied for Food Stamps **March 15**. She lost her job **March 10** and received her final check **April 1**. She received **\$200 March 14** and **April 1**.

- a. The March prospective income is \$200.
 1. Prospective budgeting counts all income and expenses received in beginning month (March).
- b. The April retrospective income is \$200. (Budget Month 02/15-03/14)
 1. The income did not terminate prior to or in the beginning month since the final check was received April 1, therefore, the income must be shown retrospectively until gone.
- c. The May retrospective income is \$200. (Budget Month 03/15-04/14)
 1. The income did not terminate prior to or in the beginning month since the final check was received April 1, therefore, the income must be shown retrospectively until gone.

Mrs. O. applied for Food Stamps **March 15**. She lost her job **February 14** and received her final check **February 28** of **\$200**.

- a. The March prospective income is zero.
 1. No income anticipated for beginning month.
- b. The April retrospective income is zero.
 1. The income terminated and was received prior to the beginning month so is not counted retrospectively.

Mrs. O. applied for Food Stamps **March 15**. She reported she lost her job **March 15** through layoff and will not be called back to work until **May 1**.

- a. The March prospective income will be any wage she anticipates receiving in March.
 1. The income does not meet the terminated criteria since it is only temporarily suspended.
- b. The April retrospective income will be any wage she received between February 15 and March 14.
 1. The income does not meet the terminated criteria since it is only temporarily suspended and will continue to be shown until it is gone.

5922.1 TERMINATED INCOME OF A NEW HOUSEHOLD MEMBER

The special provisions for terminated income only apply to households who meet the beginning month definition in Section 5910 (households applying for benefits who were not certified to receive benefits in South Dakota in the previous month). Terminated income does not apply to new household members. If an ongoing household reports the addition of a new household member who has terminated income, the new household member is added into the household following the requirements of Section 5923, Part A, of this manual. Workers should be aware that TANF regulations regarding terminated income of new household members differs from Food Stamp regulations.

5923 CALCULATING ALLOTMENTS

CWs shall use the following procedures in determining benefit levels.

- A.) Household Composition - Household composition for on-going cases is determined by who is in the household as of the first day of the issuance month. Household composition for new applications is determined by who is in the household at the time of interview, or anticipated changes in the application month if known at the time of interview. [Section 2810]

If an on-going household reports a gain of a new household member at any time prior to the first day of the issuance month (via any mechanism, EA-214, phone call, etc.), and the individual will be residing in the household on the 1st of the month, the CW shall include the new member and use the new member's prospective income and resources added to the existing household's retrospective income and resources to determine eligibility and benefit amount for the issuance month.

If the on-going household does not notify the CW prior to the first day of the issuance month, the new member shall not be included in household composition until the following issuance month. If the new member is certified on another case, he/she cannot be added until removed from the old case.

There is an exception to the rule of adding the new household member's income prospectively to the existing household's retrospective income. The new household member's income is always added prospectively when the member is added into the household but if the new member had previously been providing income to the existing household, that income is disregarded retrospectively. For example, John had sent Mary \$200 February 10, moved in February 15, and was added prospectively to Mary's household March 1. The \$200 is disregarded from Mary's retrospective budget (January 15 - February 14) because John is the source of the \$200 and is added to the household effective March.

For example, if an on-going household reports a new member moved in on April 28 and will be in the home on May 1, the worker will use the household's composition as of the issuance month (May) and the new member's prospective income and resources for May (issuance month) to determine the benefit amount. If the new household member will be included in a TANF or BIA grant, prospectively budget the amount the TANF or BIA will increase due to adding the person. If the new member is a boarding school student or temporarily placed in a treatment center (institution), refer to Section 4121(I)(1).

On the other hand, if a household reports a member left the household, that member's income, deductions and resources are not used in determining the household's benefit level. When removing an individual whose needs were included in the retrospective TANF or BIA grant, remove that portion of the grant intended for the person leaving the household. If the individual is leaving for boarding school, refer to Section 4121(I)(1).

Section 5923 A, Calculating Allotments, Household Composition continued:

If a new member is being added to the household because he/she is no longer ineligible or disqualified, the new member is added prospectively and his/her income and expenses are added:

- a. Retrospectively for individuals who were previously disqualified for work registration/E & T, trafficking, TANF, or Tribal TANF, fraudulently receiving duplicate benefits, IPV, or fleeing felon/probation/parole.
- b. Prospectively for individuals who were previously ineligible students or a non-household member.

If the loss of a household member is reported outside of the EA-214 and the monthly report has already been processed, the household is entitled to a 10-day adverse action notice prior to removing the individual, unless the adequate notice provisions in Section 6401 are met.

B.) Income - The CW shall calculate the allotment using the household's actual income from the budget month except as follows:

- 1.) The worker shall annualize self-employment income which is received other than monthly in accordance with instructions in Section 4400. Households with income from a farm operation monthly are required to annualize the income and expenses.

If the household's self-employment income cannot be annualized (Sec. 4410.1), and the household is required to monthly report, remember that expenses may only be allowed in the retrospective budget month when they are actually paid. Example: A household member has a day care business in the home. 25% of the home is considered self-employment. For the Jan. benefit month, the household reported gross income of \$300, property taxes paid of \$500, and no other expense for the period of 11-15 through 12-14. The amount budgeted would be \$300 gross income less \$125 ($550 \times 25\%$) taxes for a net income of \$175. (The shelter deduction would have had 75% of the annual tax amount prorated monthly - $\$1000 \text{ tax} \times 75\% \text{ by } 12 = \$62.50 \text{ on a HOME panel.}$)

Monthly reporting households with self-employment income received over a period of less than one year that is not intended for annual support is prorated over the period of intent and budgeted retrospectively. The income must not affect more benefit months than the number of months in the period it is prorated. The income is not used in the budget calculation prospectively but continues to be used in the prospective eligibility determination. Expenses will be budgeted the same as income. Section 4411.2

Section 5923 B, Calculating Allotments, Income continued:

- 2.) The worker shall prorate income received by contract in less than one year over the period the income is intended to cover.
[Section 5700]

- 3.) If the household receives income on a recurring monthly or semi-monthly basis, the receipt date shall be the date the income would have normally been received, not the date it was actually received. If the household's income is not recurring, the pay date is not stable, or the paydays are other than monthly or semi-monthly, the income is budgeted when actually received. [Section 4310]

Example: John is paid the 1st and 15th of each month unless the 1st or 15th falls on a weekend or holiday, then receives his pay on the working day prior to the holiday. His income is budgeted as if received on the 1st and the 15th of the month, regardless of when actually received.

- 4.) TANF and Tribal TANF income is excluded if not received between the 1st and the 14th of the month for which it is intended for retrospective budgeting. Example: November TANF check received November 20th for \$200. December TANF check received December 2nd for \$250. The retrospective budget period for January issuance is November 15 - December 14. Only the \$250 received on December 2nd is counted in the retrospective budget. This rule pertains to TANF income exclusively. UPP payments are counted as received.

- 5.) Legally obligated child support payments paid to a non household member (section 4121.N (8)) are excluded from income prospectively based on prospective amount and retrospectively based on retrospective amounts.

- C.) Deduction - The worker shall count deductions as billed or averaged from the corresponding budget month, including those shelter costs billed less often than monthly which the household has chosen to average over the certification period. If the expenses are billed less often than monthly, they cannot be averaged over more months than they are intended to cover. If a stable expense is billed monthly, it is counted for the month it is intended to cover.

Medical expenses are always budgeted prospectively. Households must report and verify all medical expenses at time of application and certification. If the household reports but does not submit verification of a change in their medical expense, act on the change if it would decrease benefits, or if the change would increase benefits, request verification and make the change upon receipt of the verification. Sections 4122.3 and 2800.

Section 5923 C, Calculating Allotments, Deduction continued:

If the household reports a change in shelter expenses but does not submit verification, incomplete the report form to obtain verification only if the change is a result of a move, household composition change, or is questionable. If the reported change does not meet those criteria, ask for verification but also budget the change if it decreases benefits. If it increases benefits, ask for verification and notify the household the increase will be completed upon receipt of the verification. Verification is required at the next certification.

5930 CERTIFICATION PERIODS

Households not residing on Indian Reservation land in the monthly reporting system shall be certified for a minimum certification period of 6 months up to the maximum certification period of 12 months. The certification period for jointly processed households shall expire the same month as the TANF review. Households residing on Indian Reservation land in the monthly reporting system shall be certified for 24 months, without exception.

5931 WORK REGISTRATION

MRRB household members subject to work registration shall be work registered at initial certification and once every 12 or 24 months thereafter if applicable.

5940 THE MONTHLY REPORT FORM (EA-214)

Except for exclusions in Section 5902, all households are required to report household circumstances on a monthly basis as a condition of continuing eligibility. Monthly reporting households are required to report changes in household circumstances on their monthly report form. No other reporting requirements may be imposed.

All active households will receive their EA-214 in the mail around the 13th of each month, unless it is the application month. For applicants, a monthly report form must be given to them during the interview. Some households may also receive a monthly report in the mail if the case is approved early enough in the month but to ensure they receive a report form, a hard copy form must be provided at application.

Households must return the completed EA-214 to the office between the 15th and 20th of each month. Any form postmarked by the 20th is considered timely regardless of the date the office actually receives it. In addition, if the 20th is a Saturday, Sunday, or a holiday, completed EA-214's that are hand-delivered to the office on the next available working day are considered timely.

5941 ACTION ON THE MONTHLY REPORT FORM

A.) Processing - Upon receiving the EA-214, the CW shall:

- 1.) Review the report to ensure accuracy and completeness within 5 days of the receipt of the report form.
- 2.) Consider the report incomplete if:
 - a.) The head of the household, an authorized representative or a responsible member of the household does not sign it;
 - b.) It is not accompanied by verification of reported earned income.
 - c.) It omits information necessary either to determine the household's eligibility or to complete the household's level of food stamp benefits.
 - d.) It is not accompanied by verification of unearned income changes in either source or amount.
- 3.) Determine items which will require additional verification (see Section 5950).
- 4.) Contact the household directly, as needed, to obtain further information on specific items. These items include the effect of a reported change in resources on a household's total resources, and the effect of a reported change in household composition or loss of a job or source of earned income on the applicability of the work registration requirement.
- 5.) Notify the household, if applicable, that their case is closed unless they file a report, correct an incomplete or inaccurate report, or submit necessary verification within 10 days from the date the notice was mailed. (See Section 5960)
- 6.) Determine the household's eligibility by considering all financial and nonfinancial factors.
- 7.) Determine the household's allotment in accordance with Section 5923 based on household composition as discussed in Section 5923.

5950 VERIFICATION

Households shall verify information on the monthly report as follows:

A.) Mandatory Verification - Each month the household shall verify:

- 1.) Gross nonexempt earned income;
- 2.) Child care expenses if the household claims this deduction; and

Section 5950, Verification, continued:

- 3.) All information that the worker considers questionable as discussed in Section 6230.
- B.) Verification When Changes Occur - The household shall provide verification on the following items if they have changed since the last monthly report:
- 1.) Unearned income (from a new source or if amount has changed);
 - 2.) Child Support payments (from a new legal obligation or if the amount has changed) - if none received, remove the exclusion until verification is received;
 - 3.) Shelter charges (rent or mortgage payments, taxes and insurance, utility expenses): if they report a change in residence or change in shelter as a result of someone moving in or out, verification is required. If the change is not required to be reported, follow 5923 C instructions.
 - 4.) Alien Status - if none received, disqualify the individual until verification is received;
 - 5.) Social Security Numbers - if none received, disqualify the individual until verification is received;
 - 6.) Residency; and,
 - 7.) Citizenship - if questionable.

DSS shall not require the household to verify information which has not changed since the last report unless DSS believes the information is inaccurate, incomplete, outdated or inconsistent with other case file information.

DSS shall waive verifications for first monthly report form filed by applicants applying after the 15th of the month who meet expedited service requirements if needed to meet the expedited service time frames for the first and second months (Section 5911).

5960 NOTICES

All notices regarding changes in a household's benefits must meet the definition of adequate notice as defined in Section 5901.

The CW shall notify a household of any change from its prior benefit level and the basis for its determination. If the CW reduces or terminates benefits based on information received on the monthly report form, the notice must be sent so that the household receives it no later than either the date the resulting benefits are to be received or in place of the benefits.

5961 INCOMPLETE FILING

5961.1 NON-RESERVATION CASES

If a household fails to file a monthly report form, ACCESS will send an autoclose notice to the household on the 25th of the month (this is the processing period) explaining their case is closed for the next issuance and the household has 10 days from the mailing date of the notice to file a complete report form.

If the household files an incomplete report form, the CW shall send the household a notice within 5 days of the filing date explaining their case is closed for the next issuance and the household has 10 days from the mailing date of the notice to file a complete report.

If the household responds within the 10 day period and files a complete monthly report, the household's case shall be reinstated and full benefits issued. If the household has good cause reasons for the late or incomplete report form, no delay in benefits is required. The good cause reason should be documented in the narrative. If the household does not have good cause, the household must be provided an opportunity to participate within 10 days of the household's normal issuance date.

If the household submits a complete EA-214 outside of the 10 day period, but before the end of the issuance month, and has good cause for the late or incomplete report form, no delay in benefits is required. The good cause reason should be documented in the narrative. If the household does not have good cause, the household must be provided with an opportunity to participate within 10 days of the date the complete report is filed and the full month's benefits shall be issued.

If an eligible household files a complete report after the issuance month has passed, the household loses its rights to benefits for the issuance month and must file a new application if it wishes to participate.

5961.2 RESERVATION CASES - MONTHLY REPORT FORM NOT FILED

If a household resides on reservation land, they are allowed a one month "grace period" to submit their report form. If the household fails to file a monthly report form by the 25th, ACCESS will check to see if a complete report form was filed the previous month. If one was, ACCESS will autoapprove the next month's benefits based on the previous month's amount and send a notice to the household requesting they submit a report form.

If the missing report form is filed between the 25th and the next month's FS payroll date, the CW will need to update the information and reapprove eligibility results based on the current information (if the missing report form is incomplete, a DSS-EA-349 must be sent and the case closed for incomplete report form).

If the missing report form is not filed until after the FS payroll date and prior to the end of the issuance month, the household will be required to repay any overissuance that may have occurred.

If the missing report form is not filed until after the FS payroll date and prior to the end of the issuance month, the State is required to issue supplemental benefits for any underissuance that may have occurred.

Section 5961.2, Reservation Case-Monthly Report Form Not Filed, continued:

If the missing report form is not filed at all in the grace period month, the case will auto close for the next month. Prior to benefits being reinstated for the following month, the complete grace period monthly report form and the next month's report form will need to be filed. If an overissuance occurred in the grace period month, the household will be required to repay. If an underissuance occurred in the grace period month, no supplemental payment will be authorized because a complete report form was not received in the issuance month.

EXAMPLE: Household submitted complete August report form and was issued August benefits in the amount of \$100. A report form was not filed by August 25 so September benefits were approved by ACCESS in the amount of \$100 (August amount).

The September report form was received complete August 31, therefore, the CW updated current information and reapproved September benefits in the amount of \$50.

If the September report form was received incomplete August 31, a DSS-EA-349 needs to be sent to the household requesting information needed to complete the report form, and Fail to File needs to be approved on ACCESS.

If the complete September report form was not received until September 10, the information needs to be updated on ACCESS using MONT code "L", and eligibility results approved. If an overpayment occurred, a claim needs to be completed and RECO coded A96 identifying the overissuance as a grace period overissuance.

If the September report form is not received by September 25, October benefits will be autoclosed by ACCESS.

If the September report form is received October 5, both the complete September and October report forms need to be received prior to reinstating October benefits. Both September and October need to be updated on ACCESS. (ACCESS help line (773-4998) will need to be called to update September information.

If neither the complete September or October reports form are received, the household may make reapplication for November.

5961.3 RESERVATION CASES - MONTHLY REPORT FORM FILED INCOMPLETE

If the household files an incomplete report form prior to the 25th, the grace period rules do not apply. The CW shall send the household a notice within 5 days of the filing date of the incomplete report form explaining their case is closed for the next issuance and the household has 10 days from the mailing date of the notice to complete the report form.

If the household responds within the 10 day period and files a complete monthly report, the household's case shall be reinstated and full benefits issued. The household must be provided an opportunity to participate within 10 days of the household's normal issuance date.

Section 5961.3, Reservation Cases - Monthly Report Filed Incomplete, continued

If the household submits a complete EA-214 outside of the 10 day period, but before the end of the issuance month, the CW shall reopen the household by providing it with an opportunity to participate within 10 days of the date the complete report is filed and the full month's benefits shall be issued.

If an eligible household files a complete report after the issuance month has passed, the household loses its rights to benefits for the issuance month and must file a new application if it wishes to participate.

5962 VERIFICATION NOT PROVIDED

If a household does not provide required verification, the CW shall take the following actions:

- A.) If the household does not verify earned income , the CW shall consider the EA-214 incomplete and take action as specified in Section 5961.
- B.) If the household does not verify unearned income from a new source or if the amount has changed, the CW shall consider the EA-214 incomplete and take action as specified in Section 5961.
- C.) If the household does not verify claimed dependent care costs, the CW shall not allow the deduction.
- D.) If the household reports a change in child support (legal obligation or amount paid) and does not verify the change, the exclusion should be removed.
- E.) If the household does not verify changes in shelter expenses that occurred as a result of a move, household composition change, or is questionable, consider the EA-214 incomplete and take action as specified in Section 5961.

If the reported shelter change is not a result of the above criteria, ask for verification, and:

- 1.) Act on the reported change if it will decrease benefits (Section 2822); or
 - 2.) Not act on the reported change if it would increase benefits (Section 2821).
- F.) If the household omits information necessary to determine the household's eligibility or to complete the household's level of food stamp benefits, the CW shall consider the EA-214 incomplete and take action as specified in Section 5961.

Section 5962, Verification Not Provided, continued:

When dependent care or child support payment are reported but not verified and the EA-214 is otherwise complete, the CW disallows the deduction when computing the allotment. The caseworker must inform the household of the reason for the disallowance and allow a ten day cure period to verify the expense in order to receive the expense consideration. If the household verifies the expense within the cure period but after cut-off, supplemental benefits are appropriate (Section 2821.2). Documentation must be completed explaining why the expense was not allowed and identifying how the household was notified of the 10 day cure period.

5970 RETROSPECTIVE SUSPENSIONS FOR MONTHLY REPORTERS

For non-monthly reporters see Section 4334.

If a household becomes temporarily ineligible due to a periodic increase in recurring income or another change not expected to continue in the subsequent month, the CW shall suspend the household's issuance for one month instead of terminating them. Examples of this type of income are five pay periods in a month for persons paid weekly, three pay periods in a month for persons paid bi-weekly, and unearned income received at either of these intervals. An example of another change not expected to continue in the subsequent month could include nonrecurring or one-time only income.

A periodic increase in recurring income or other change not expected to continue in the subsequent month does not affect the prospective eligibility determination. For example, even if the CW can anticipate the occurrence of a periodic increase in recurring income, the CW does not use the extra income in the prospective eligibility determination, but instead relates to it when the income appears in the retrospective budget cycle.

When recurring periodic extra income or any other change not expected to continue is reported for the budget month and makes the household ineligible for the issuance month, the CW shall suspend the household's benefits for the issuance month.

Example: Mrs. R is employed and receives a paycheck of \$110 every Friday. During March 15 through April 14 there happens to be 5 Fridays. Thus her monthly report shows an increase in income from \$440 to \$550 which makes the household ineligible for the issuance month of May. Her household would be suspended, but she would still receive a monthly report form during May. From April 15 - May 14 her income is back to the regular amount of \$440 and Mrs. R receives her regular June allotment.

If the household does not become eligible after one month, the CW shall terminate the case.

A household suspended due to a periodic increase in recurring income shall be considered as certified and participating.

5980 RECERTIFICATIONS

The CW shall recertify an eligible household which timely reapplies (as discussed in Section 2654) and provide it with an opportunity to participate by the household's normal issuance cycle. For the purpose of assuring uninterrupted benefits, a timely reapplication consists of filing the EA-301, timely completing the monthly report, and fulfilling interview requirements.

Benefits at the time of recertification are determined retrospectively while eligibility continues to be determined prospectively.

For recertification, the CW must conduct an interview with the household member or authorized representative. The interview shall be scheduled for any date during the last month of the expiring certification period. If the interview is conducted between the 15th and the 20th of the month, the household member or authorized representative may bring the EA-214 to the interview.

5990 REQUEST FOR FAIR HEARING

All MRRB households may request a fair hearing to contest any action by the project office to reduce or terminate their benefits.

5991 CONTINUATION OF BENEFITS

The CW shall continue benefits of a household which requests a fair hearing within ten days from the date adequate notice was sent unless the household waives continuation of benefits. The CW shall continue the benefits until the end of the certification period or until the fair hearing decision, whichever is first. However, if the Department did not receive a monthly report from the household by the extended filing date and the household admits that it did not submit such a monthly report, the household shall not have its benefits continued.

- A.) The CW shall provide continued benefits no later than five working days from the date it receives the household's request.
- B.) A household receiving continued benefits shall continue to file EA-214s until the end of the certification period. If the fair hearing is with regard to termination for non-receipt of the monthly report by the Department, then a new complete monthly report for the month in question shall be submitted by the household before benefits are continued.
- C.) During the fair hearing period process, the CW shall adjust allotments to take into account reported changes except for the factors on which the hearing was based.